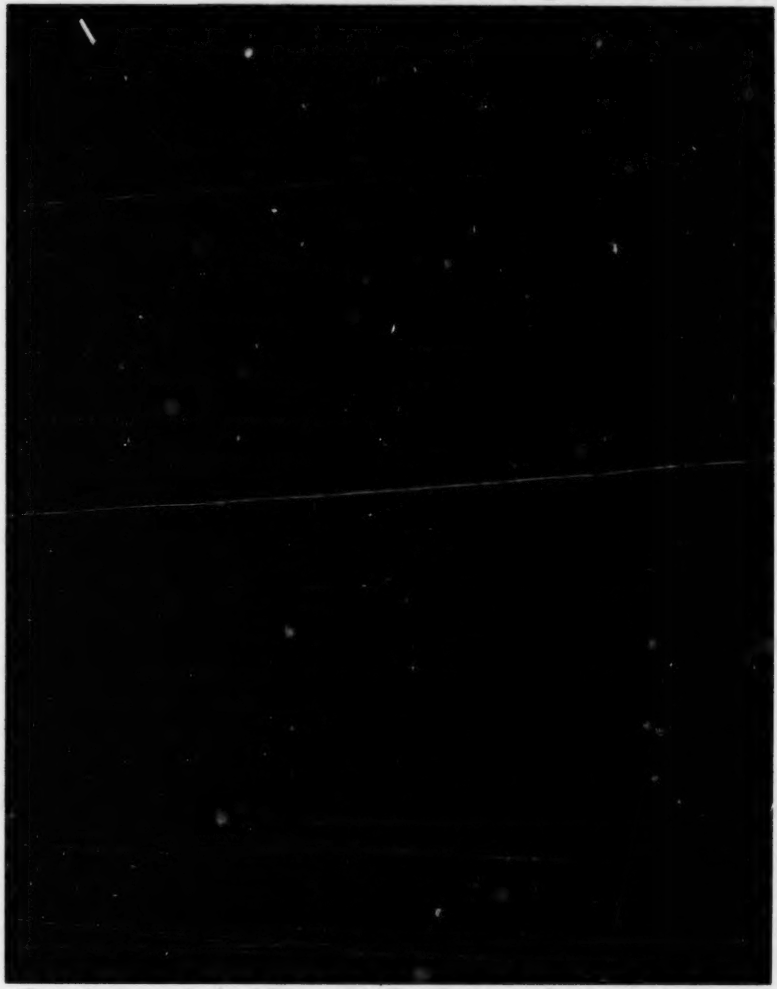
Province of British Columbia
Ministry of Finance



FINANCIAL AND ECONOMIC REVIEW

FORTY-SECOND EDITION

August 1982

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Province of British Columbia
Ministry of Finance

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Minister

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Deputy Minister

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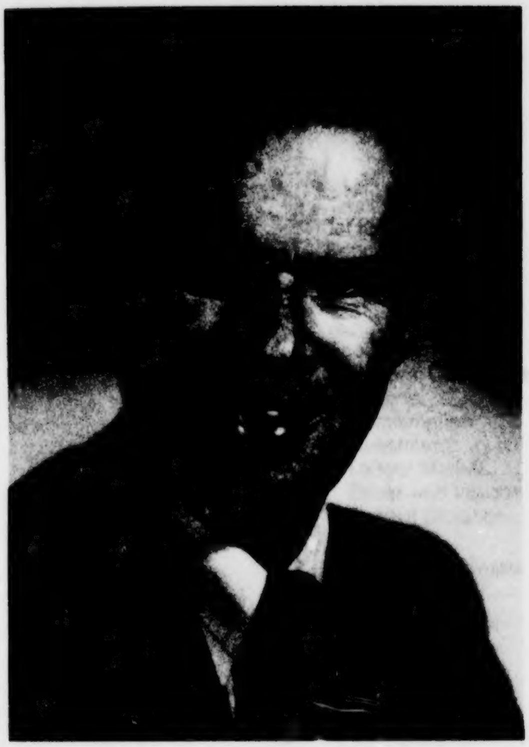

MESSAGE FROM THE MINISTER

I take pleasure in releasing the forty-second edition of the British Columbia Financial and Economic Review.

As in previous years, the Review presents a comprehensive summary of the activities and finances of the provincial government and Crown corporations.

The Review not only serves as a valuable reference document and record of the economy and finances of British Columbia, but it also contributes to the ongoing accountability of the provincial government.

HUGH A. CURTIS
Minister of Finance

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1. Economic Review

General Observations

Economic performance in British Columbia was mixed in 1981. Strong economic conditions during the first half of the year contrasted with the unfavourable conditions which characterized the second half, when high interest rates, a six-week forestry strike, and weakening export markets led to a deterioration in the provincial economy. Real gross domestic product is estimated to have increased 2.0 per cent in 1981, down from 5.2 per cent in 1980 (*see* Chart 1). For detailed statistical indicators of economic activity in British Columbia, *see* Appendix 1.

The rate of inflation increased sharply in 1981 as the consumer price index for Vancouver rose 14.3 per cent from the previous year, compared with a 9.4 per cent increase in 1980. Energy prices and housing costs were the major causes of the rapid growth experienced in 1981. In the first half of 1982 inflation has moderated slightly but continues to exceed 11 per cent.

The unemployment rate for the province declined slightly on average for 1981, but rose sharply in the latter months of the year in response to the weakening economy and declining employment. This trend has continued in the first half of 1982.

Economic activity was mixed throughout the industrialized world in 1981. The United States economy grew only 2.0 per cent for the full year, despite growth at an annual rate of 8.3 per cent in the first quarter. Real economic growth in Japan was only 2.9 per cent in 1981, down from an average of 5.0 per cent in the previous five years, while real output in the European Economic Community declined 0.5 per cent.

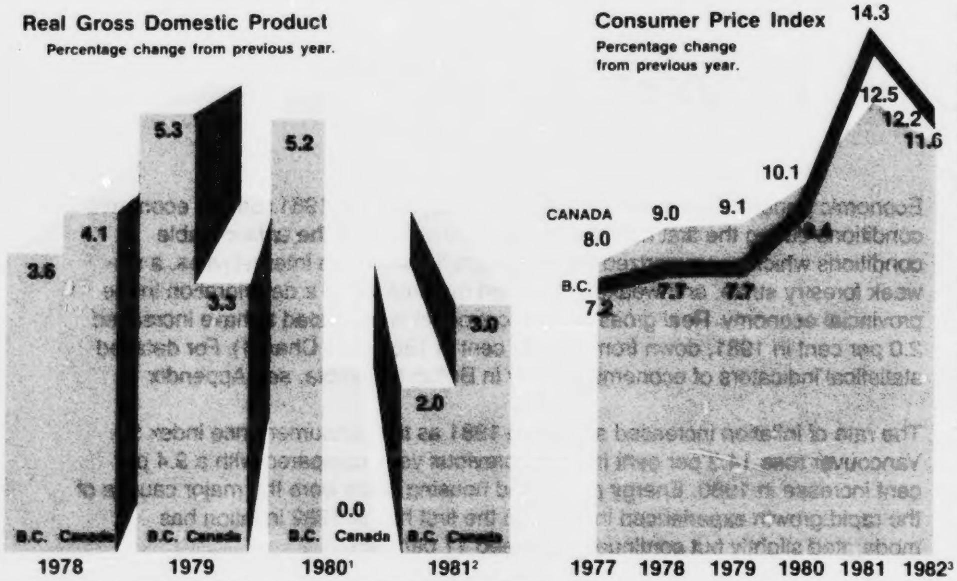
Table 1

Exports of British Columbia Products to Major Countries

	Value		Change	Per Cent of Total	
	1980	1981	1980–1981	1971	1981
	($ millions)		(per cent)		
United States	4,152.6	4,054.6	−2.4	56.9	44.3
Japan	2,181.9	2,112.3	−3.2	16.4	23.1
United Kingdom	625.9	554.0	−11.5	7.9	6.0
Other European Common Market countries[1]	1,398.1	1,154.5	−17.4	9.7	12.6
Australia	207.4	197.7	−4.7	2.0	2.2
Other countries	1,087.9	1,079.6	−0.8	7.1	11.8
Total	9,653.8	9,152.7	−5.2	100.0	100.0

[1] Ireland, Denmark, Belgium, Luxembourg, France, Germany (Federal Republic), Netherlands, Italy, Greece. (Figures prior to 1981 revised to include Greece.)

Chart 1 Principal Economic Indicators


Real Gross Domestic Product

Percentage change from previous year.

Consumer Price Index

Percentage change from previous year.

British Columbia experienced strong growth in 1980 as the province avoided the recession which affected the rest of Canada. In 1981, however, the economy weakened and growth fell below that of Canada. British Columbia's inflation rate was below the national average from 1977 to 1980, but moved above the Canadian rate in 1981 and thus far in 1982.

[1] Preliminary.

[2] Ministry of Finance estimate.

[3] Year to date (May) over same period in 1981.

Sources: B.C.— Central Statistics Bureau; Canada— Statistics Canada

Source: Statistics Canada

Exports

Worldwide economic weakness had a profound effect on British Columbia's exports. The total value of exports declined 5.2 per cent in 1981 (*see* Table 1), as exports to all major trading partners fell.

The decline in exports was particularly significant with respect to forest products, where the general effects of the international recession were compounded by the forest industry labour dispute. Exports of all forest products fell 14.3 per cent, with lumber shipments down 22.4 per cent. Forest product exports to the United States fell 11.2 per cent, with lumber shipments declining 17.0 per cent.

The key factor in this decline was the upward movement in interest rates, which had a strong negative impact on United States housing starts. After averaging 1.4 million units (at annual rates) in the first quarter of 1981, United States housing starts declined steadily through the year to average 1.1 million, down from 1.3 million in 1980 and representing the third consecutive year of decline. Only 865 thousand housing starts (at annual rates) were recorded in the fourth quarter, the lowest level of activity reached in the post-war period.

Due to this decline in United States housing construction activity, the proportion of lumber in British Columbia's exports to the United States has fallen substantially in the last two years, from 42.4 per cent in 1979 to 28.0 per cent in 1981. As a result, other export products have played an increasingly important role in the province's trade relations with the United States. However, the decline in forest product exports in 1981 more than offset an 11.9 per cent increase in the export of other products to the United States.

Forest product exports to overseas countries also declined in 1981, falling 29.0 per cent from 1980 levels. In addition, weak market conditions affected exports of other products. Overseas exports of molybdenum ore and concentrate, copper ore and concentrate,and wood pulp declined by 22.5 per cent, 16.1 per cent and 10.3 per cent respectively. There was export growth for some products, however, with coal exports rising 41.8 per cent (especially to markets outside Japan), fish products increasing 35.8 per cent (mainly to Japan), and electricity exports up 424.5 per cent, due to favourable water conditions and strong demand from United States utilities.

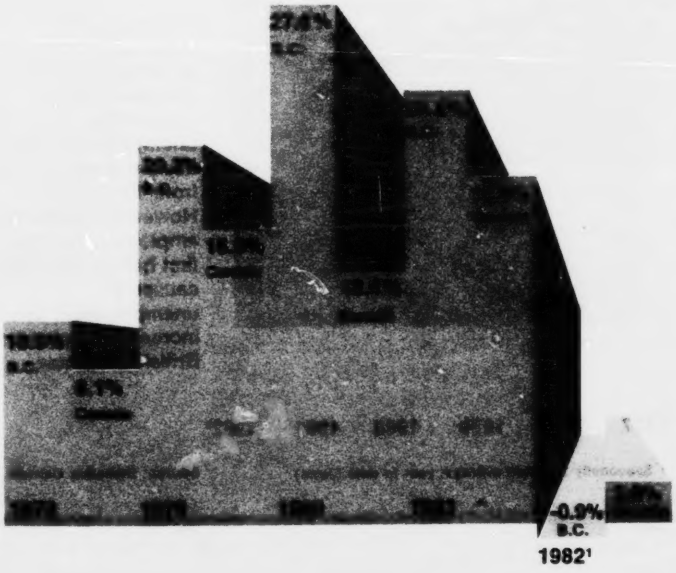
Consumption

Consumer expenditure in British Columbia provided a strong stimulus to growth in the first half of 1981, as retail sales increased 21.0 per cent from the same period in 1980. Consumption demand weakened during the second half of the year, however, as disposable income was reduced by the forestry strike, declining employment and the deflating impact of higher interest rates. Retail sales increased only 8.0 per cent in the second half of 1981, resulting in an annual rate of growth of only 13.9 per cent, slightly below the rate of increase in consumer prices.

Investment

Investment expenditure continued to grow at a strong rate (*see* Chart 2), rising an estimated 23.2 per cent in 1981, following increases of 27.8 per cent in 1980 and 20.2 per cent in 1979. In comparison, capital expenditure in Canada increased 18.6 per cent in 1981. Investment in residential construction was especially strong in the province, rising 44.6 per cent as total housing starts reached a record 41,600 units. Investment was also strong in the utility sector, which exhibited growth of 32.1 per cent, and the manufacturing sector, which experienced growth of 30.7 per cent as the forest industry continued its capital expansion programs.

Chart 2 Annual Growth in Fixed Capital Investment



Between 1978 and 1981, fixed capital investment in British Columbia increased significantly faster than the Canadian average. In 1982, growth in capital expenditure is expected to fall below the Canadian average for the first time since 1975.

Source: Statistics Canada,
Public and Private Investment Survey

[1] Preliminary intentions.

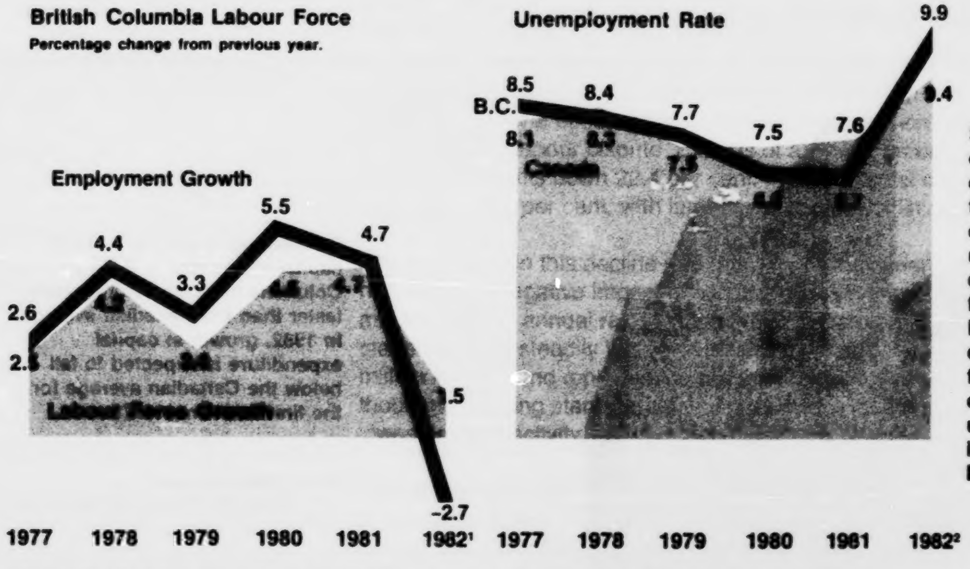
Labour Market

Although British Columbia's unemployment rate declined to 6.7 per cent in 1981 from 6.8 per cent in 1980 (*see* Chart 3), the drop masks the timing and extent of the economic weakness begun in 1981. In the first six months of the year, employment grew 5.8 per cent from the same period in 1980, as 30,000 new jobs were created. However, in the latter half of the year employment declined by 5,000, while participation rates, especially for women, rose significantly. As a result, the unemployment rate rose from 6.2 per cent in June to 8.8 per cent in December. For the full year, both the labour force and employment grew 4.7 per cent.

Reduced employment opportunities, combined with the rise in the cost of living in British Columbia, particularly with respect to housing prices, led to a reduction in net in-migration to the province. The net inflow of persons to British Columbia was 31,000 in 1981, down from 55,000 in 1980. Nonetheless, because of high net in-migration in the previous three years, the 1981 census estimated that 2.74 million people reside in British Columbia, up 11 per cent from the 1976 census estimate of 2.47 million.

In 1981, there were 160 work stoppages in the province, up from 129 in the previous year. These stoppages resulted in 3.2 million worker-days being lost, a large increase from 0.5 million in 1980. The worker-days lost were almost evenly distributed between the goods-producing sector, which was affected most significantly by the forest industry dispute, and the service-producing sector. The ratio of worker-time lost to time worked by paid workers reached 1.1 per cent in 1981, up from 0.2 per cent in 1980, and the highest level since 1972.

Chart 3 Labour Force



Strong growth in employment, which exceeded growth in the labour force, caused the unemployment rate to decline continuously from 1977 to 1981. However, a decline in employment in the first half of 1982 has caused the unemployment rate to increase sharply in British Columbia.

[1] Seasonally adjusted average, year to date (June) over same period in1981.

[2] Seasonally adjusted average, year to date (June)

Source: Statistics Canada

Prices and Incomes

Inflation in British Columbia, as measured by the change in the consumer price index for Vancouver, was 14.3 per cent in 1981, compared with the national average of 12.5 per cent (*see* Chart 1). More than 60 per cent of the increase in British Columbia was attributable to transportation and housing costs, which rose 21.8 and 15.4 per cent respectively. These increases reflect higher energy prices and the influence of higher interest rates on mortgage financing.

Personal income increased 13.3 per cent in 1981, as a weakening in the growth of labour income was offset by higher investment income generated by high interest rates. Total wages and salaries increased 12.8 per cent and average weekly earnings increased 12.0 per cent, representing a decline in real wages for the first time since 1978.

Current Situation

The severe recession in the industrialized world which began in the latter half of 1981 has continued into 1982 and has seriously affected economic activity in British Columbia. Consumer and investment expenditure has declined further, while export performance has shown little improvement. High interest rates have remained the most important influence on the economy, as prime lending rates in Canada rose from 16.5 per cent in January to 18.5 per cent at mid-year, before declining in late July and August. This has put extreme pressure on corporate and personal liquidity, forcing the postponement of many expenditures. In the first five months of 1982, retail sales fell 1.1 per cent, while capital expenditure is expected to decline in 1982, led by a sharp reduction in residential construction expenditure.

The British Columbia employment situation has also deteriorated. From December 1981 to June 1982, employment declined by 66,000 jobs, while the seasonally adjusted unemployment rate rose to 12.4 per cent in June. Forest- and mining-related sectors have been the hardest hit, as weak markets and high interest rates have forced firms to reduce production and job levels.

Production declines in the early months of 1982 compared to the corresponding periods in 1981, were: sawn lumber, 23.5 per cent; pulp, 7.8 per cent; paper, 7.2 per cent; and oil, 0.6 per cent. Increases were recorded in coal (11.9 per cent) and natural gas (3.3 per cent). The value of manufacturing shipments declined 9.7 per cent and exports loaded in British Columbia fell 5.3 per cent.

2. Provincial Finances

Summary

Both operating revenue and operating expenditure were higher than budgeted in 1981/82. Expenditure exceeded revenue by $173.6 million for the year (*see* Table 2).

After this reduction in the Consolidated Revenue Fund, the net equity of the province, represented by financial assets less financial liabilities, was $1,530.7 million (*see* Table 3).

Table 2
Statement of Operating Results

Fiscal year ended March 31,	1981	1982
	($ millions)	
Operating revenue	5,802.7	**6,868.4**
Operating expenditure	6,059.4	**7,042.0**
Net expenditure (decline in net equity)	256.7	**173.6**

Revenue from natural resources showed a significant decrease for the second consecutive year, led by declines in forestry and natural gas revenue, while health and education expenditures continued the trend of large increases in recent years.

Revenue

Total consolidated revenue for the fiscal year ended March 31, 1982 was $6,868.4 million, an increase of $1,065.7 million, or 18.4 per cent, over the 1980/81 fiscal year (*see* Appendix 7: Table 7.3). Chart 4 highlights the year-over-year changes in major revenue components. For a description of trends in government revenue, see the special topic box on the following page.

Taxation revenue increased by 39.8 per cent, to $4,206.8 million. All the major sources of taxation revenue contributed to this large increase. Personal income tax revenue increased by 35.0 per cent, to $1,848.2 million, reflecting strong growth in income and employment in the province and a large adjustment to a prior year's revenue transfer from the federal government. Corporation income tax revenue was 27.0 per cent higher, mainly as a result of growth in corporate profits, but also reflecting the increase in the general tax rate to 16 per cent from 15 per cent. Social service tax revenue increased by 49.0 per cent, or $371.6 million, reflecting the increase in the tax rate from 4 per cent to 6 per cent in the 1981 budget. Fuel tax revenue showed an increase of $139.9 million, or 60.4 per cent, reflecting the change to an *ad valorem* tax rate from a unit-based rate, and large increases in energy prices resulting from federal energy policy.

Trends in Government Revenue

Provincial government revenue has increased from $370 million in the 1959/60 fiscal year to $6,868 million in 1981/82, for a compound annual growth rate of 14.2 per cent. This growth has been characterized by wide fluctuations in individual years, ranging from a 4.6 per cent increase in 1960/61 to a 26.1 per cent increase in 1973/74.

Taxation Revenue

Taxation has contributed more than one-half of total government revenue in every fiscal year since 1959/60, with the exception of 1979/80, when reduced tax rates and strong natural resource revenue lowered the share of taxation revenue to 47.7 per cent. In 1981/82, due to increased tax rates and weak growth in other revenue sources, taxation revenue exceeded 60 per cent of total government revenue for the first time in the past two decades.

Personal income tax revenue is the single most important provincial revenue source and has increased its share of total taxation revenue from 20.2 per cent in 1959/60 to 44.0 per cent in 1981/82, increasing at a compound annual rate of 19.0 per cent. This growth reflects the transfer of a greater portion of the personal income tax field from the federal government to the provinces, as well as the effect of the strong growth of personal incomes in the province (11.9 per cent compounded annually from 1960 to 1980) combined with the progressive income tax system. Per capita disposable income increased by 8.6 per cent, compounded annually between 1960 and 1980. During this same period, social service tax revenue has fallen from 44.0 per cent of taxation revenue to 26.9 per cent, despite growing at an annual rate of 12.4 per cent.

The corporate income tax share of taxation revenue has ranged from a peak of 17.6 per cent in 1974/75 (almost double the revenue collected in the previous year) to a low of 9.7 per cent in 1968/69. Between 1959/60 and 1981/82, corporate tax revenue has increased at a compound annual rate of 14.6 per cent, which reflects the expansion of the provincial economy during the period.

Revenue from other taxes, primarily those on fuel and tobacco, has increased at an annual rate of 13.2 per cent since 1959/60, generally reflecting growth in population and the level of economic activity. The introduction of *ad valorem* taxes in 1981 on fuels and tobacco products caused a sharp increase (50.1 per cent) in revenue over the previous year. Taxes on these products are now linked to their prices.

Natural Resource Revenue

Revenue from natural resources has fluctuated widely during the period between 1959/60 and 1981/82, ranging from 9.0 per cent of total provincial revenue in 1981/82 to 23.2 per cent in 1979/80. The fact that the high and low shares occurred within a period of three years demonstrates the volatility of natural resource revenue. Despite this cyclical nature, which has resulted in year-over-year changes ranging from an 80 per cent increase in 1979/80 to a 34.6 per cent decrease in 1980/81, natural resource revenue has increased at a compound annual rate of 11.1 per cent since 1959/60. There have been declines in revenue in five of the years and revenue has increased by more than 20 per cent in seven of the years. The 1981/82 fiscal year marked the only time in the past twenty years that resource revenue had declined for two consecutive years.

Although forestry is often considered British Columbia's most important industry, since 1975 provincial revenue from petroleum and natural gas has exceeded that from forests in every year except one. In most years, revenue from these two sources comprised over 80 per cent of natural resource revenue. The forestry share of natural resource revenue has fallen from 61.8 per cent in 1959/60 to 18.9 per cent in 1981/82. Over the same period the petroleum and natural gas share has increased from 29.1 per cent to 59.3 per cent.

Mineral revenue, dependent on world markets and prices, has also fluctuated widely, between a 457.1 per cent increase in 1974/75 (primarily due to changes in royalties) and a 51.7 per cent decline in 1981/82. The mineral revenue share of total resource revenue has ranged between 1.9 per cent (1960/61) and 21.4 per cent (1974/75). Other natural resource revenue remained relatively stable until 1981/82, when water power rental rates were increased significantly, resulting in a rise of 173.7 per cent over the previous year.

Other Revenue

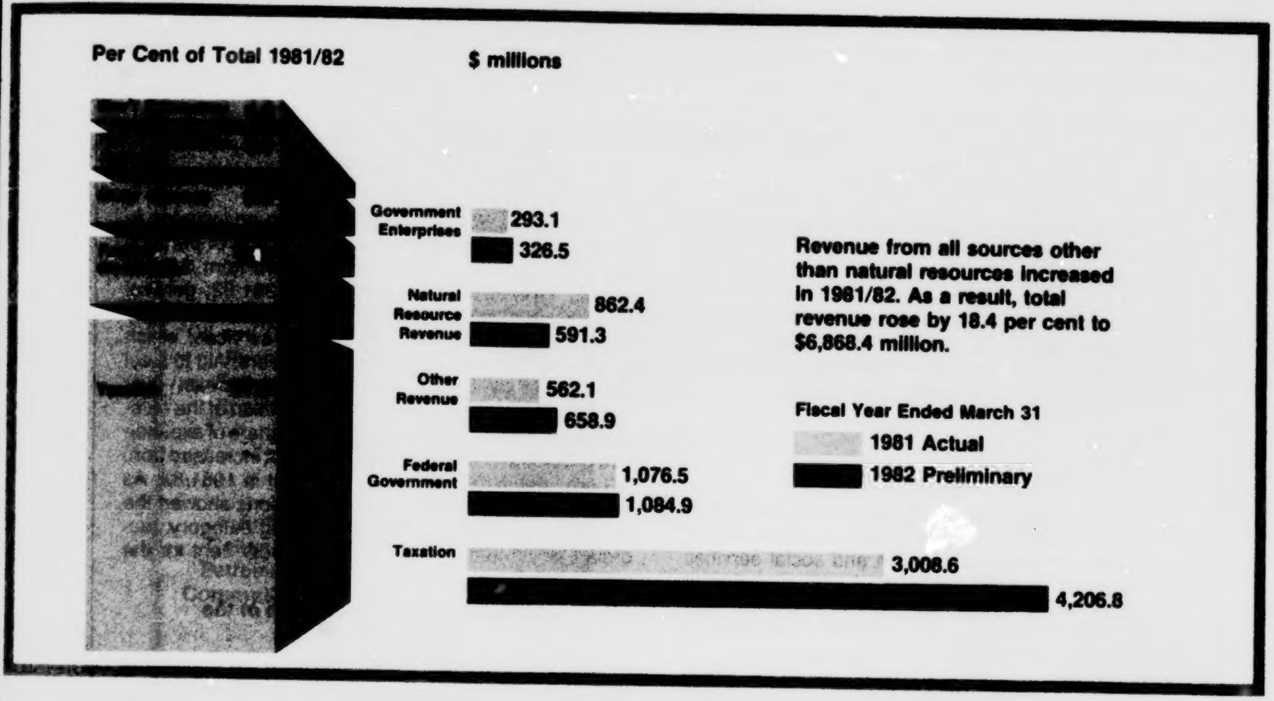
Contributions from the federal government, primarily for health and education programs, have increased at an annual rate of 14.3 per cent since 1959/60, slightly above the growth rate of 14.2 per cent in total provincial revenue. Federal contributions peaked in 1971/72 at 21.7 per cent of total government revenue and fell to their lowest level of 15.3 per cent in 1964/65.

Revenue from fees and licences, interest, penalties and other sources has grown at a compound annual rate of 14.6 per cent since 1959/60, and maintained a very stable portion of total government revenue. Contributions from government enterprises, primarily liquor distribution branch profits, have increased at a rate of 12.0 per cent per year.

Stabilizing Government Revenue

Changes in economic conditions and the volatility of natural resource revenue make provincial budget management very difficult. As a result, the Resource Revenue Stabilization Fund was established in 1982 to buffer the provincial operating budget from the effects of resource revenue instability. All resource revenue flows into this fund so that a balance may be accumulated in years of strong revenue to offset the effect of subsequent declines in resource revenue. Through the moderation of year-to-year fluctuations in resource revenue available for appropriation, it will be possible to reduce greatly the need to make year-by-year major adjustments to government revenue and expenditure policies. It should be noted that, in contrast to a heritage fund, the Resource Revenue Stabilization Fund is intended only to stabilize medium-term fluctuations rather than to provide for a long-term accumulation of resource revenue.

Chart 4 Consolidated Revenue Fund Revenue by Major Source



Revenue from all sources other than natural resources increased in 1981/82. As a result, total revenue rose by 18.4 per cent to $6,868.4 million.

Natural resource revenue declined by $271.1 million, or 31.4 per cent, following a decline of 34.6 per cent in the previous year (*see* Chart 5). The decline occurred as a result of further sharp reductions in revenue from the sale of oil and gas exploration rights, and price and volume declines for lumber and metallic minerals. Revenue from the sale of exploration rights to Crown land fell by $87.2 million, or 55.7 per cent, following a decline of 31.9 per cent in the previous year. The average per hectare price received in 1981/82 for the sale of exploration rights declined by 59.4 per cent to $168. Total petroleum and natural gas revenue declined by $59.3 million or 14.3 per cent, while forest-related revenue fell by $201.6 million or 69.2 per cent. In the last two years forestry revenue has declined by 85.8 per cent. Revenue from minerals declined by 47.8 per cent to $62.5 million. Water resources revenue, which reached $65.0 million, was the only source of natural resource revenue to show an increase.

Contributions from the federal government increased by less than one per cent to $1,084.9 million. Contributions under the Established Programs Financing arrangements increased by $5.5 million, or 0.9 per cent, and revenue under the Canada Assistance Plan rose by $7.3 million, or 2.3 per cent.

Profits of the Liquor Distribution Branch increased by $41.3 million, or 15.0 per cent. Other revenue increased by $93.6 million, or 17.6 per cent. The main sources of the increase were the sale of forestry property to the British Columbia Buildings Corporation for $34.7 million, and the recording of $55 million revenue recoverable from British Columbia Transit at a future date.

Trends in Government Expenditure

Growth in provincial government expenditure since 1959/60 has closely matched the increase in revenue, reflecting the government's balanced budget policy. Expenditure has increased from $365 million in 1959/60 to $7,042 million in 1981/82, representing a compound annual growth rate of 14.4 per cent. The lowest annual growth rate was 2.0 per cent in 1970/71 and the highest was 35.4 per cent in 1974/75.

Composition of Expenditure

There have been significant changes in the composition of provincial government spending over this period. Expenditure on education, health and social services has increased from 50 per cent of total spending in 1959/60, to 63 per cent in 1981/82. The share of spending for economic development programs has shown a corresponding decline. This has occurred principally in spending on transportation and communications, which has declined from 20.8 per cent of spending in 1959/60 to 9.1 per cent in 1981/82.

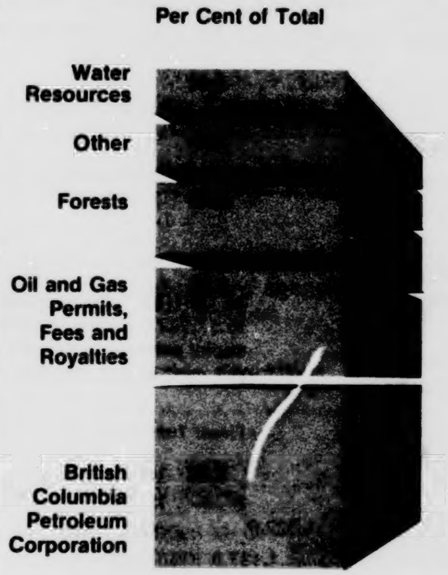
Health and social services expenditure is the largest category of spending. It has increased at an annual rate of 15.8 per cent since 1959/60 and, as a share of total spending, it has increased from 31.8 per cent in 1959/60 to 41.2 per cent in 1981/82. The large increase is due to several factors: increased government involvement in the provision of health programs; increased demand for health services; introduction and expansion of federal/provincial programs; and aging of the population. Education spending increased rapidly in the late 1960s in response to the expansion of post-secondary programs, but its share has declined over the last decade. However, the annual rate of increase for the full period, at 15.5 per cent, was above the rate of increase in total spending.

Other categories which have shown an increase in the share of total spending are: protection of persons and property, which increased its share from 3.8 per cent in 1959/60 to 4.5 per cent in 1981/82; general government, which increased from 3.3 per cent to 4.3 per cent; and recreation and cultural services, which increased from 0.8 per cent to 1.0 per cent. Aid to local government showed a particularly large increase over the last five years, reflecting the introduction of the revenue sharing and transit programs. The share of expenditure allocated for aid to local government increased from 3.3 per cent in 1959/60 to 5.0 per cent in 1981/82. As noted, transportation and communications showed the largest relative decline of any spending category, recording an annual growth rate of 10.2 per cent for the period.

Expenditure as a Proportion of the Provincial Economy

The changing pattern of provincial expenditure is also reflected in the comparison of expenditure to gross domestic product (GDP). In 1961/62, the first year for which GDP in British Columbia was calculated, provincial expenditure totalled 10.0 per cent of GDP, while by 1981/82 the proportion had risen to 16.7 per cent. Transportation and communications expenditure declined from 2.1 per cent of GDP at the beginning of the period to 1.5 per cent by the end. Other changes in expenditure categories as a proportion of GDP have been as follows: education expenditure increased from 2.0 per cent to 3.7 per cent; health and social services expenditure rose from 3.5 per cent to 6.9 per cent; and expenditure for the protection of persons and property increased from 0.4 per cent to 0.8 per cent. As these figures demonstrate, increases in expenditure for education, health and social services account for a large portion of the overall growth in total expenditure relative to the provincial economy during the past two decades.

Chart 5 Sources of Natural Resource Revenue, 1981/82



In 1981/82, natural resource revenue fell 31.4 per cent, the second consecutive year of decline. However, revenue from water resources rose dramatically, and in 1981/82 accounted for 11 per cent of natural resource revenue, up from 2.3 per cent in the previous year.

Expenditure

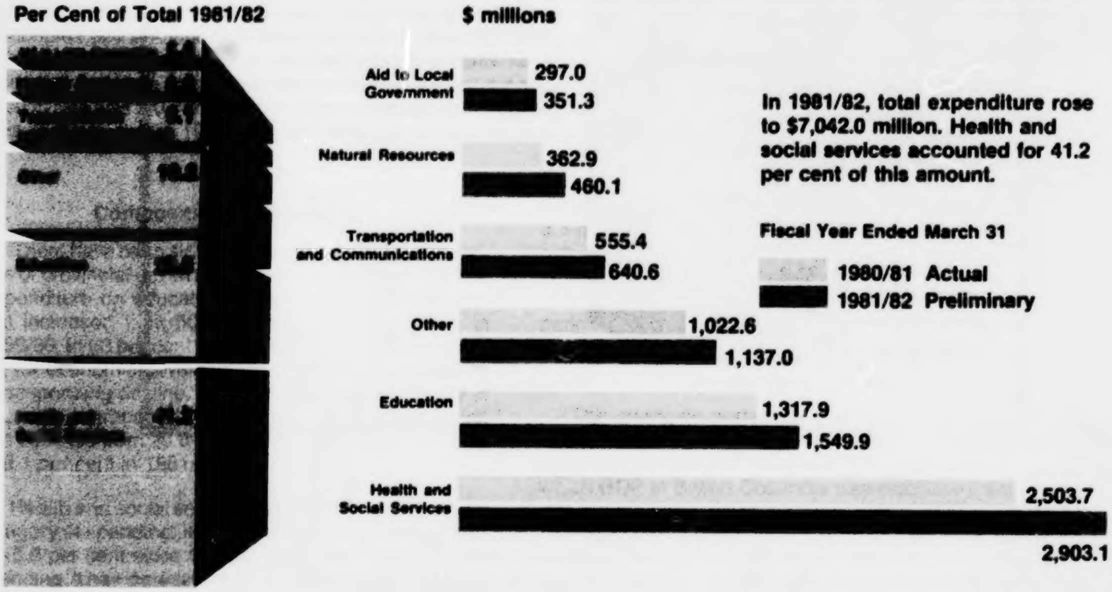
Total consolidated expenditure for the fiscal year ended March 31, 1982 was $7,042.0 million, an increase of $982.6 million or 16.2 per cent, over the fiscal year 1980/81 (*see* Appendix 7: Table 7.4). Chart 6 highlights the year-over-year changes by major expenditure function. For a description of trends in expenditure patterns, *see* the special topic box on the adjacent page.

The major portion of the increase in expenditure was again accounted for by the largest two spending categories, health and social services, and education. The increase in health and social services expenditure was $399.4 million, or 16.0 per cent. Within this category the largest increase was in medical, dental and allied services, including the Medical Services Plan and Pharmacare program, which increased by 23.5 per cent. Payments to local hospitals increased by 13.7 per cent and public health costs rose by 37.4 per cent. The largest increase in education expenditure was 23.6 per cent for universities, colleges and vocational schools. Operating grants to local school districts rose by 13.8 per cent and government contributions for teachers' pensions increased by 39.6 per cent.

The increase in spending on health and social services over the last three years has been 69.7 per cent. In the same period spending on universities, colleges and vocational schools has risen by 71.7 per cent.

Expenditure on natural resources and primary industries increased by 26.8 per cent, largely as a result of spending on forestry, which was up by 25.0 per cent, and on lands, including agriculture, which rose by 49.5 per cent. Aid to local government increased by 18.3 per cent, mainly attributable to increases of 16.6 per cent in grants to local government and 23.2 per cent in local transit subsidies.

Chart 6 Consolidated Revenue Fund Expenditure by Function



In 1981/82, total expenditure rose to $7,042.0 million. Health and social services accounted for 41.2 per cent of this amount.

Fiscal Year Ended March 31

1980/81 Actual
1981/82 Preliminary

Grants to Crown corporations and enterprises were $136.5 million for the year. The largest single item was the payment of $83.2 million to British Columbia Railway, of which $70.0 million was a contribution toward the railway's debt service charges, and $13.2 million was a grant for operating and capital costs on unprofitable portions of the railway. The British Columbia Railway also received $45.0 million for the interest costs on the debt incurred by the railway to finance the construction costs of the branch line required for the northeast coal development.

A grant of $42.0 million was paid for the construction of the stadium located at British Columbia Place. A further payment of $11.3 million was contributed toward land acquisition and cleaning, zoning and design of the British Columbia Place site.

Total expenditure has increased by $2,608.2 million, or 58.9 per cent over the last three years.

Net Equity

Net equity of the Consolidated Revenue Fund (including the General Fund and Special Purpose Funds) at March 31, 1982 was $1,530.7 million, representing a decline of $173.6 million from the previous year. Trust funds under administration by the provincial government increased by $1,906.9 million, or by 36.9 per cent. Net equity by major category is presented in Table 3; a complete balance sheet of provincial assets and liabilities is in Appendix 7: Table 7.1.

Table 3
Summary of Net Equity by Major Category at March 31, 1982

Fiscal year ended March 31,	1981	1982	Change 1981–1982
	($ millions)		(per cent)
Working Capital			
Cash and marketable securities	751.2	529.9	−29.5
Due from Crown corporations and agencies	141.3	363.2	157.0
Accounts receivable and inventories	394.7	437.1	10.7
Subtotal	1,287.2	1,330.2	3.3
Accounts payable and accrued liabilities	(250.2)	(473.9)	89.4
Net working capital	1,037.0	856.3	−17.4
Other Realizable Assets			
Mortgages receivable	182.9	184.1	.7
Prepaid program costs	—	32.9	—
Investment in, and advances to, Crown corporations	291.9	285.8	−2.1
Property under development	69.6	68.3	−1.9
Other assets	332.1	286.4	−13.8
Total, other realizable assets	876.5	857.5	−2.2
Unmatured Debt	(209.2)	(183.1)	−12.5
Net equity	1,704.3	1,530.7	−10.2

Provincial Government Investments

Provincial government investments in provincial Crown corporations, agencies and other enterprises at March 31, 1982 totalled $49.0 million and are detailed in Appendix 2: Table 2.1.

Loans and Repayable Advances

Provincial government loans and repayable advances to provincial Crown corporations, agencies and enterprises at March 31, 1982 totalled $599.9 million and are detailed in Appendix 2: Table 2.2.

Special Purpose Funds

Special Purpose Funds included in the Consolidated Revenue Fund had capital and retained earnings of $990.5 million at March 31, 1982. The composition of these funds at that date is presented in Table 4. Descriptions of each fund are provided in Appendix 2: Table 2.4.

Effective April 1, 1982 most Special Purpose Funds were replaced with special purpose accounts in the General Fund. The effect of this change is to retain legislative authority to make payments previously made from the Special Purpose Funds, while improving financial flexibility. Major funds replaced include the Agricultural Land Development Fund, Crop Insurance Stabilization Fund, Crown Land Fund, Forest and Range Resource Fund, and the Provincial Home Acquisition Fund. Those remaining as Special Purpose Funds are the three Perpetual Funds, Revenue Sharing Fund, Lottery Fund, Farm Income Assurance

Changes to Accounting Policies

The information in this chapter is presented in accordance with the new "modified accrual" basis of accounting. Government accounts were formerly maintained on a modified cash basis, but in response to concerns expressed by the Auditor General, Treasury Board authorized the new policy which was implemented in the 1980/81 Public Accounts.

A full statement of the new policy is contained on page B 11 of the 1980/81 Public Accounts, which also contain a reconciliation with figures prepared under the old basis of accounting. The most important features of the new policy can be summarized as follows:

- The main reporting entity is the Consolidated Revenue Fund, which contains both the General Fund and Special Purpose Funds.
- All revenue and expenditure of the Consolidated Revenue Fund is recorded on an accrual basis, with certain limited exceptions.
- Assets are recorded on the government's balance sheet only to the extent that they represent financial claims by government. Similarly, liabilities are recorded only if they represent financial claims on government. Payments to acquire fixed assets are recorded as expenditures.
- Operating surpluses or deficits are reflected in changes in the net equity of the province. The former revenue surplus account has been eliminated.
- Supplementary statements have been prepared to provide consolidated financial information on all agencies of government, including those of a commercial nature.

Financial Notes

As the Auditor General has not yet reported upon the financial statements for the year ended March 31, 1982, the financial results presented in this chapter have been extracted from the preliminary financial statements prepared by the Office of the Comptroller General (*see* Appendix 7). After audit, the full Public Accounts of British Columbia will be published in accordance with the *Financial Administration Act*.

The basis of presentation in this chapter is to describe first the Consolidated Revenue Fund transactions and, second, the Special Purpose Fund transactions. The Consolidated Revenue Fund comprises the General Fund and Special Purpose Funds, which together cover all funds over which the Legislative Assembly has the power of appropriation. The General Fund includes the principal operating accounts of the provincial government. Special Purpose Funds consist of certain earmarked revenues and various funds set aside over the years using General Fund surpluses and current revenue. Financial transactions of the Consolidated Revenue Fund are classified as either operating or financing transactions. Operating transactions include direct expenditure on goods and services, transfer payments and grants as well as revenue from taxation, royalties, fees and licences, contributions from government enterprises, and payments from the federal government. The net amount of Consolidated Revenue Fund operating revenue and expenditure represents the annual surplus or deficit on transactions of the Consolidated Revenue Fund and is either credited to, or charged against, the net equity of the province.

Financing transactions represent either a source or use of funds not involving revenue or expenditure and arise from changes in the composition of the province's assets or liabilities.

Expenditures from Special Purpose Funds are authorized by the legislation which established them and do not require annual approval of the Legislative Assembly. Most General Fund operating expenditure must be included in the *Estimates* and authorized under the *Supply Act*. Transfers between the General Fund and Special Purpose Funds are eliminated in the consolidated tables. A reconciliation between Consolidated Revenue Fund revenue and expenditure, and those of the General and Special Purpose Funds, is shown in Appendix 7.

The financial interest of the province in provincial Crown corporations and enterprises is included in the provincial accounts only to the extent of the amounts actually invested in, or advanced to, these entities, which do not record their main financial transactions through the Consolidated Revenue Fund. Therefore, the main financial statements of the province do not reflect the earnings or deficits of provincial Crown corporations and enterprises (*see* Chapter 4: Crown Corporations and Enterprises).

Fund, Dairy Producers Protection Fund, Industrial Development Subsidiary Agreement Loan Repayment Revolving Fund, and the Habitat Conservation Fund. A summary of the activity in the Special Purpose Funds is shown in Appendix 7: Table 7.8.

Table 4
Assets and Liabilities of Special Purpose Funds

Balance at March 31,	1981	1982
	($ millions)	
Cash and investments	756.5	671.1
Accounts receivable	13.8	10.9
Mortgage loans[1]	161.3	149.4
Provincial Rental Housing Corporation[2]		
Equity	.6	.6
Advances	37.2	31.2
British Columbia Housing Management Commission[2]		
Advances	4.9	4.6
Accounts and advances receivable[2]	24.3	26.8
Mortgages receivable[2]	21.6	34.8
Real estate investments[2]	69.6	68.3
Total assets	1,089.8	997.7
Less accounts payable	(13.0)	(7.2)
Net assets of Special Purpose Funds	1,076.8	990.5

[1] Under the *Provincial Home Acquisition Act, Home Purchase Assistance Act* and the *Home Conversion and Leasehold Loan Act.*
[2] Under the *Ministry of Lands, Parks and Housing Act* (Crown Land Fund).

Direct Debt

It has been the practice of the British Columbia Government since 1952 to finance total operating expenditure from general government revenue supplemented, when necessary, from the accumulated surpluses. However, in the fiscal year 1975/76, total expenditure exceeded total revenue for that year and the available surplus funds from prior years by $261.4 million. As a result, the province had to borrow for its own account for the first time since 1952. At March 31, 1982 direct debt outstanding was $183.1 million, represented by bonds due on May 1, 1988, with annual repayments due until that date. The government has decided to refinance the annual instalment of $26.1 million due in 1982, because of the difficult fiscal position faced by the province. Therefore, the direct debt outstanding will not be reduced during the 1982/83 fiscal year. (*See* Appendix 7: Table 7.8). With this exception, the credit of the province has been restricted to providing unconditional guarantees of the borrowings of Crown corporations, local governments and certain small enterprises.

Guaranteed Debt

There have been significant changes since 1980 in the manner in which the long-term borrowing requirements of Crown corporations are provided. Until 1980, most long-term funds were borrowed from the sinking and pension funds administered by the provincial government. In addition, Canada Pension Plan investment funds, used primarily for social capital purposes, supplied approximately one-third of the long-term funds required in recent years. The balance was obtained through long-term borrowing in public or private markets. Market borrowing was carried out primarily by British Columbia Hydro until the change of policy in 1980.

In 1980 the decision was made to invest all available balances of the provincial government pension and sinking funds in short-term securities, pending completion of studies relating to diversification of investments of these funds. Since that date the sources of long-term funds available for Crown corporations have been limited to the Canada Pension Plan investment fund, to bond issues sold on publicly-traded markets and to funds raised by bonds issued directly to private investors. For details of recent funds provided to Crown corporations, *see* Appendix 4: Table 4.2.

The new policy requires much larger borrowings in public and private markets to obtain the funding previously provided from provincial trusteed funds.

Major public market borrowings were made by British Columbia Hydro during 1981/82 following the introduction of the new policy. Three public issues have been made in the United States, raising U.S. $950 million. A public issue in the Eurodollar market provided U.S. $100 million and two Canadian issues raised $250 million. The proceeds of these issues fully covered British Columbia Hydro's capital expenditure requirements during 1981/82.

To provide long-term funds for smaller Crown corporations with infrequent capital requirements, the provincial government now combines the requirements of several Crown corporations into one issue. The required funds are then raised through a private placement sold directly to private investors. In 1981/82, three private placements were made, raising U.S. $143 million.

Under the *Canada Pension Plan*, British Columbia receives for investment the monthly Canada Pension Plan contributions made by residents of British Columbia, net of current operating requirements. From the introduction of the plan in 1966 to March 31, 1982, the province has received a total of $3,058 million, which has been made available to provincial Crown corporations. Of the total, $378 million was received in 1981/82. The securities of the Crown corporations sold to the Canada Pension Plan Investment Fund have a 20-year maturity, but are subject to earlier redemption by the federal Minister of Finance on six months' notice if required for the plan.

Triple A Credit Rating

Moody's Investors Service Incorporated and Standard and Poor's Corporation rate the direct and guaranteed debt of the Province of British Columbia as Triple A, which is the highest level of rating given by these agencies to any securities.

Current Status

At March 31, 1982, the provincial government's guaranteed debt of provincial Crown corporations, local government and certain small enterprises, excluding debt held as investments by the Consolidated Revenue Fund, was $9.9 billion net of sinking funds, up 20.0 per cent from March 31, 1981.

Debt Servicing

The cash flow from operations of the British Columbia Railway Company has been insufficient to provide fully for the corporation's annual debt servicing costs. The shortfall has been provided for by other sources of funds of the railway, including borrowed funds. A 1981 amendment to the *British Columbia Railway Finance Act* authorizes the Minister of Finance, subject to an appropriation of the Legislature, to determine and pay annually to the railway a grant for the railway's debt charges and capital expenditure. The provincial government estimates for 1982/83 include provision for the payment of a further $70 million to be applied to the railway's debt service charges.

Through grant formulas, the province contributes to the debt servicing costs of school and regional hospital districts and educational institutions. The provincial government contributed $76.4 million (53 per cent of debt servicing costs) to school districts and $38.8 million (57.1 per cent) to regional hospital districts in 1981, and $22.4 million (100 per cent) to educational institutions in 1981/82.

Sinking Funds

Sinking funds are currently established for most long-term borrowing, including all borrowings from the Canada Pension Plan. The increase in long-term interest rates in recent years will result in the value of many of the sinking funds reaching or exceeding the amount of the corresponding debt issue in advance of the repayment date. In this case, under legislative amendments passed in 1981, payments into the sinking funds can be discontinued if certain conditions are met. This change should provide savings to the Crown corporations by eliminating certain future sinking fund payments.

Trust Funds

Trust funds are administered by the government for third parties but are not subject to appropriation by the legislature. The four distinct components of trust funds are listed below:

- Trust deposits are mainly funds of individuals and intestates which are held by the government under various statutes. At March 31, 1982 the balance of these deposits totalled $813.6 million.
- Sinking funds are set up by Crown corporations and other public bodies to provide for the orderly retirement of maturing long-term debt. At March 31, 1982 these funds totalled $1,244.2 million.
- Superannuation and pension funds have been established to administer contributory pension plans for public sector employees and totalled $3,985.4 million at March 31, 1982.
- Miscellaneous trust funds totalled $1,047.1 million at March 31, 1982. The main item in this category is the accident fund of the Worker's Compensation Board.

Trust deposits are invested mainly in the short-term money market.

Sinking funds, superannuation and pension funds and miscellaneous trust funds are set aside to meet long-term liabilities. Until 1980 the funds were placed almost exclusively in long-term investments, mainly bond issues of provincial Crown corporations. Since 1980, almost all cash becoming available in these funds has been invested in short-term securities. The effect on the asset mix and earnings of the funds has been significant. The earnings of the funds have increased sharply due to the high short-term interest rates available during the last eighteen months.

The *Financial Administration Act* provides uniform investment powers for all provincial government trust funds, in place of the varying powers which existed previously. Funds may now be placed in investments permitted under the *Trustee Act*, as well as in the short-term and government-guaranteed securities permitted for the Consolidated Revenue Fund. These wider investment powers, which have not yet been exercised, permit investment in mortgages, common stock and corporate bonds.

The strategy for changing the asset-mix of the pension funds is currently under review by the Ministry of Finance and the superannuation commissioner. Recommendations for change will be presented for the consideration of the Minister of Finance and the cabinet. A policy of investing the funds to maximize earnings would permit the public sector pension benefits to be provided at the lowest possible cost to pension contributors and future taxpayers.

Provincial Taxes

The provincial government has the constitutional power to levy direct taxation within the province to raise money for provincial purposes. Appendix 2 provides information on various taxes in British Columbia and on tax changes made in the 1981 and 1982 budgets. Tax rate increases in 1982 were applied to the corporation capital tax paid by chartered banks and to the provincial property tax on rural land and improvements.

Income Tax Rates

The British Columbia 1982 personal income tax rate is 44 per cent of basic federal tax. This requires that a British Columbia taxpayer remit an additional $44 of income tax to the province for every $100 of federal income tax, calculated before deduction of the federal general tax reduction. Tax filers with taxable incomes of $2,890 or less in 1982 will have their British Columbia income tax reduced to an amount no greater than federal tax payable after the deduction of the federal general tax reduction up to $200. This provides a provincial tax reduction of up to $88, dependent on taxable income.

The *Income Tax Act* (British Columbia) provides individuals with a refundable tax credit of the amount by which 3 per cent of personal exemptions exceeds 1.5 per cent of taxable income. Under this formula, the amount of the tax credit increases with family size. The elderly also receive higher benefits. For example, the maximum tax credits that may be claimed in 1982 are $107 for a single tax filer, $220 for a married tax filer with one child and $267 for a married pensioner. The credit is reduced as taxable income increases and eliminated when gross income exceeds $12,200 for a single tax filer, $22,440 for a married tax filer with one child and $28,050 for a married pensioner. All British Columbia residents over 16 years of age may claim the credit, even if they pay no income tax, provided they are not claimed as a dependent by another tax filer. It is anticipated that more than 40 per cent of British Columbia families and 75 per cent of the elderly will benefit from this credit in 1982.

A 10 per cent surtax is also imposed on that portion of provincial income tax payable in excess of $3,500. Therefore, if provincial tax payable is $3,700, an additional tax of $20 is payable. Most taxpayers require gross incomes in excess of $40,000 before being affected by this provision. It is estimated that only 6 per cent of British Columbia taxpayers will be required to pay the surtax in 1982.

The corporation income tax rate is 16 per cent of taxable income earned in the province. For corporations qualifying as small businesses, the rate is reduced to 8 per cent.

Other Tax Rates

The general tax rate on purchases of tangible personal property, imposed under the *Social Service Tax Act*, is 6 per cent of the purchase price. The variable rates applied to motor vehicle purchases, based on fuel consumption ratings, are 4, 6 and 8 per cent. Purchases of alcoholic beverages from liquor stores and wineries are taxed at 7 per cent. The 1982 budget provided several new tax exemptions.

The general tax rate on hotel accommodation is 6 per cent. There is a higher rate of 8 per cent on the total purchase price of rooms with a daily rate of $50 or more. The exemption level, below which no tax is payable, is $10 per day.

The 1982 budget raised the corporation capital tax rate applied to chartered banks with paid-up capital in excess of $500 million from 0.8 per cent to 2.0 per cent, effective May 1, 1982.

Motor fuel taxes are levied on a modified *ad valorem* basis, under which clear gasoline is taxed at approximately 20 per cent of the retail price before tax. Tax rates per litre on other fuels are maintained at constant differentials from the gasoline rate. Rates are adjusted quarterly. Compressed natural gas and propane used to propel motor vehicles were exempted from provincial tax in the 1982 budget to promote use of these efficient and clean-burning fuels.

Tobacco products are also taxed on a modified *ad valorem* basis, approximating 40 per cent of the retail price, under which rate adjustments occur each March and September.

Legislation of Financial Significance

Legislation significant to provincial finances passed by the legislature during its 1982 session includes several major new acts and numerous amendments to existing acts.

The *Compensation Stabilization Act* provides the legislative framework for the administration of pay restraint guidelines applicable to all public sector employees under the provincial government's economic stabilization program. The act provides for a commissioner to oversee and place limits on compensation awards. As part of the same overall program, the *Municipal Expenditure Restraint Act* authorizes operating expenditure limits which may be placed on municipal budgets.

The *Legislative Assembly Allowances and Pension Amendment Act, 1982* rolled back the pay increase of Members of the Legislative Assembly (MLAs) from 11.9 per cent, effective January 1, 1982, to 1.9 per cent effective August 1, 1982. There will be no increase in MLA's salaries in 1983.

The April 1982 provincial Budget Speech contained several measures designed to stimulate the provincial economy. The *Special Appropriations Act*, *Housing and Employment Development Financing Act*, and *Provincial Debt Refinancing Act* contain administrative legislation pertaining to these measures.

The *Special Appropriations Act* dissolved most Special Purpose Funds, effective April 1, 1982, and replaced them with special accounts within the General Fund. The act amended or repealed the legislation under which these funds were created and established legislative authority to pay equivalent amounts from the General Fund portion of the Consolidated Revenue Fund. This arrangement allows more flexibility in the use of money not immediately required for the special purposes.

The *Housing and Employment Development Financing Act* established the British Columbia Housing and Employment Development Financing Authority to create employment through the financing of housing and other capital projects in the province. The interest on bonds issued by the authority may be free of provincial income tax, or may include other tax benefits. Subject to federal government agreement, bond interest could also be exempt from the federal portion of personal income tax. Proceeds of the bonds would then be loaned at lower than market interest rates. The borrowing limit of the authority is $250 million. A companion amendment to the *Income Tax Act* would establish, on proclamation, a refundable provincial tax credit for interest received on the bonds.

The *Provincial Debt Refinancing Act* provided authority to refinance the 1982 annual installment payment on the provincial debt to allow an additional $26.1 million for employment creation and social programs.

The *Employment Development Act* established a new Cabinet Committee with responsibility for direct employment opportunities, employment training and employment preparation. An amount of $132.9 million has been allocated for these purposes in the 1982/83 fiscal year.

Several taxation acts were amended to enact minor changes proposed in the April 1982 budget (*see* Appendix 2: Table 2.5), including the exemption of compressed natural gas and liquefied petroleum gas under the *Gasoline Tax Act*. The list of items which *bona fide* farmers may purchase exempt from tax under the *Social Service Tax Act* was also clarified and expanded. The *Taxation (Rural Area) Act* was amended to raise the tax rate on rural land for the 1982 taxation year to 12 mills from 10 mills.

The *Corporation Capital Tax Act* was amended, to increase the tax rate charged chartered banks from 0.8 per cent to 2.0 per cent, where taxable paid-up capital exceeds $500 million. Proceeds from the increased tax will partially fund employment development initiatives.

Technical amendments to the *Gasoline Tax Act*, *Gasoline (Coloured) Tax Act*, *Motive Fuel Use Tax Act*, *Hotel Room Tax Act*, *Logging Tax Act*, *Mining Tax Act*, *Social Service Tax Act*, and *Tobacco Tax Act* increased fines and penalties to ensure prompt payment and full compliance. Other minor technical amendments were made to the *Income Tax Act*, *Horse Racing Tax Act*, *Insurance Premium Tax Act* and *Land Tax Deferment Act*.

The *Resource Revenue Stabilization Fund Act* established a special fund designed to stabilize the amount of resource revenue paid into the general fund. The fund balance will increase in periods of strong economic growth and will be drawn down in periods of economic weakness.

The *Home Owner Grant Act* was amended, raising the minimum net tax payable from $75 to $125 for property taxpayers other than those receiving the supplementary grant available to the elderly, handicapped and war veterans. The minimum for those eligible for the supplementary grant will continue to be only one dollar.

The *Home Purchase Assistance Act* was amended to allow interest rate reductions on mortgage loans secured under the act.

Under the *Finance Statutes Amendment Act*, several acts governing Crown corporations were amended to increase their borrowing authority for the financing of capital projects. The *Hydro and Power Authority Amendment Act* increased the borrowing limit of the British Columbia Hydro and Power Authority from $7,200 million to $8,300 million. The *System Amendment Act* increased the borrowing limit of British Columbia Systems Corporation from $50 million to $65 million. Other amendments extended the provincial guarantee to cover lease payments made by the British Columbia Ferry Corporation, the British Columbia Harbours Board, the British Columbia Buildings Corporation, and British Columbia Transit.

The *Urban Transit Authority Amendment Act* changed the name of the Urban Transit Authority to British Columbia Transit and provided the corporation with expropriation powers to enable construction of the light rapid transit system in the lower mainland.

The *Health Cost Stabilization Act* provided $77.8 million for the provincial health care system, in addition to the regular budget allocation.

The *Education (Interim) Finance Act* introduced a new formula to finance school costs in British Columbia. Under the act, the provincial government receives school taxes levied on the non-residential property tax base which were formerly collected by local governments. The revenue will be redistributed to all school districts under an equalization principle designed to neutralize the revenue variances resulting from disparities in the commercial/industrial tax base. The act also introduces a province-wide uniform mill rate applicable to the non-residential tax base, to be phased-in beginning in 1982. Other provisions allow the provincial government to place limits on school district budgets and authorize the payment of $75 million to school districts from the education cost stabilization account, in addition to the regular budget allocation.

3. Intergovernmental Relations

International Relations

Following the official visit by Governor John Spellman of Washington State to Victoria in May 1981, Premier Bennett paid an official visit to Olympia on January 21, 1982. The Premier, with Yukon Government leader Chris Pearson, also participated in a Heads of Government meeting with Governor Jay Hammond of the State of Alaska in Juneau on May 3, 1982.

Federal/Provincial Relations

Throughout 1981 and into 1982, the province continued its positive and constructive approach toward resolution of the constitutional and federal/provincial problems facing Canada. Premier Bennett served as Chairman of the Premiers' Conference during 1981/82 and was instrumental in the reopening of constitutional talks in early November in Ottawa. The conclusion of these talks led to the amendment of Canada's Constitution on April 17, 1982.

The Premier also participated in a First Ministers' Conference on the Economy, held in Ottawa in February 1982, and took a leading role in the discussion of economic issues, including fiscal arrangements and established programs financing.

Ministry of Intergovernmental Relations

The Ministry of Intergovernmental Relations is responsible for developing policies, strategies and activities concerning British Columbia's relations with other governments. The ministry also provides secretariat services to all statutory, standing and special committees of Cabinet, with the exception of Treasury Board.

Federal/Provincial Fiscal Arrangements

The major fiscal arrangements between the federal government and the province of British Columbia are embodied in the *Federal-Provincial Fiscal Arrangements and Established Programs Financing Act, 1977.* This act provides for federal transfers to the province for funding of hospital insurance, medical care, extended health care and post-secondary education. The act also provides for a fiscal equalization program and for tax collection agreements between the federal government and participating provinces.

The Established Programs Financing (EPF) mechanism replaced shared-cost financing of hospital insurance, medical care and post-secondary education, with a combination of transferred personal and corporate income tax points and federal government cash payments to the provinces. The transfers are largely unconditional, with the exception of a requirement to maintain five basic standards of health care. A per capita cash payment for extended health care programs is provided under the act, which amounted to $82 million for British Columbia in 1981/82. For 1981/82, British Columbia's cash entitlements totalled $689 million. The EPF portion of the act was amended by Parliament in April 1982 to reduce federal transfers to the provinces in future years.

The fiscal equalization program enables provinces with low revenue capacities to provide public services without necessitating unduly high tax rates. British Columbia currently does not receive payments from the federal government under the equalization scheme. This program also was amended in April 1982, principally to change the standard for measuring revenue capacity from a national average to an average of five representative provinces.

The fiscal arrangements also provide for the tax collection agreements which enable the federal government to collect provincial personal and corporate income taxes on behalf of a participating province. This requires each tax filer to file only a single tax return. Under the terms of the agreement, the province is required to adopt income tax legislation and regulations similar to those of the federal government. Quebec does not participate in the agreement for either corporate or personal income taxes, while Ontario and Alberta collect their own corporate income tax. For details of British Columbia tax rates, *see* Chapter 2: Provincial Finances.

Canada Assistance Plan

The other major federal/provincial financial agreement is the Canada Assistance Plan (CAP) which requires the federal government to make contributions to the province on a shared-cost basis for eligible expenditure on social assistance and welfare services. British Columbia's CAP receipts were $320 million for 1981/82.

The province has numerous other agreements with the federal government in a variety of program areas, including industrial development, agricultural and rural development, adult occupational training, expansion of fisheries stocks, tourism and forestry. Most of these agreements are for limited durations, with funding shared equally.

Provincial/Local Relations

Local government in British Columbia consists of incorporated municipalities (cities, towns, villages and districts), regional districts, school districts, regional hospital districts and special purpose improvement districts. Included are:

- One hundred forty-two municipalities incorporated under the *Municipal Act*, to provide such services as roads, waterworks and sewerage systems, as well as a wide range of social, recreational and protective services.
- Twenty-eight regional districts incorporated under the *Municipal Act*, combining local government areas, including municipalities, to provide services more efficiently administered over a larger area. The regional districts cover all but a small part of the province.
- Seventy-five school districts incorporated under the *School Act*, each with an elected board, to provide efficient and coordinated administration of schools. The districts cover 98 per cent of the province and usually combine adjacent municipal and non-municipal areas.
- Twenty-eight regional hospital districts incorporated under the *Hospital District Act*. These districts, sharing the same boundaries as the regional districts, participate in the planning and providing of capital funds for health facilities.

- Three hundred fifteen improvement districts, primarily in non-municipal areas, incorporated under the *Municipal Act*. Services include waterworks (248 areas), fire protection (90 areas), irrigation (65 areas), street lighting (41 areas), drainage (38 areas), garbage disposal (32 areas), sewage disposal (15 areas), parks and playgrounds (19 areas), dyking (18 areas), community halls, recreation areas, cemeteries and land improvements (television antennae, boat landings, mosquito control, river bank protection, water treatment, electrical energy, lake level control, acquisition of land).

Municipalities

At May 31, 1982 there were 35 cities, 41 districts, 10 towns and 56 villages, totalling 142 municipalities in 28 regional districts. Several local areas changed their status: Williams Lake was incorporated as a city from its previous status as a town, the District of Tumbler Ridge was created from unorganized territory, and two villages, Elkford and Port McNeill, became a district and a town, respectively. For details of municipal population, *see* Appendix 11.

Major provincial financial assistance was provided to municipalities during 1981/82 under the *Revenue Sharing Act*, the *Municipal Aid Act* and the *Sewerage Assistance Act*.

Revenue Sharing

Under legislation adopted in 1977, a revenue-sharing formula allows municipalities to share in the broader provincial revenue base and reduces pressure on the real property tax base. The formula annually transfers into the Revenue Sharing Fund the yield of one point of personal income tax, one point of corporation income tax, and six per cent of sales taxes and renewable and non-renewable resource revenue. Under the *Revenue Sharing Act*, $213.8 million was provided for distribution to municipalities and regional districts in the 1981/82 fiscal year. Payments to the municipalities are in the form of both conditional and unconditional grants. (*See* Appendix 3: Table 3.1, Major Provincial Programs for Local Government.)

Grants in Lieu of Property Taxes

Grants in lieu of taxes on Crown property are paid to municipalities by the province under the *Municipal Aid Act*. The grant is equal to the assessed value of the property, multiplied by the general municipal and regional district mill rates, including the debt service levy. Many British Columbia Crown corporations also pay grants to municipalities on the same basis. In 1981/82 the province paid $2.1 million under this provision and British Columbia Buildings Corporation paid $7.1 million, totalling $9.2 million, up 1.1 per cent from 1980/81.

Sewerage Assistance Act

Under the *Sewerage Assistance Act*, the province offers financial aid to municipalities, including regional districts, for installation of new sewerage facilities. The program provides grants for servicing long-term debenture debt incurred to finance sewerage projects. The annual grant is equal to 75 per cent of debt-servicing costs in excess of 2½ mills of the municipality's assessment base. In the 1981/82 fiscal year, $33.8 million was paid to 121 municipalities and regional districts, an increase of 24 per cent from the previous year. This act was repealed in 1982, but funding will be provided under the *Revenue Sharing Act* for a similar program to continue during 1982/83.

Municipal Share of Social Assistance Cost

Under the *Municipal Act*, every municipality with a population in excess of 2,500 has been required to contribute to the cost of providing such social assistance programs as income assistance, day care subsidies, health care services, residential care for the handicapped and maintenance of dependent children. Prior to 1979, municipalities were required to contribute 10 per cent of the cost of social assistance programs, while the provincial government funded the remainder. In 1979, the required contribution from the municipalities was reduced to 7 per cent. As part of the general restructuring of the Revenue Sharing Fund, these payments will be phased out over two years. In 1982 municipal contributions will total $17 million, to be paid directly from the Revenue Sharing Fund, while payments will be completely eliminated in 1983.

British Columbia Assessment Authority

The authority is incorporated under the *Assessment Authority Act* as an independent corporation with responsibility for real property assessment in British Columbia. Prior to the creation of this centralized authority in 1974, municipal assessors were responsible for assessments in cities, towns and districts, while provincial assessors valued property in unorganized areas and village municipalities. The Assessment Authority is governed by a six-member board from which two members retire each year to be replaced or reappointed for three-year terms.

The *Assessment Act* requires assessors to determine the actual value of land and improvements. The assessments are then based on a percentage of the actual value. For purposes other than general municipal taxation, the percentages are fixed by the Lieutenant Governor in Council for each class of property and are applicable province-wide. For general municipal taxation purposes, municipalities are provided with various options as to the percentage of actual value at which each class of property is assessed.

For assessment purposes, the province has been divided into 26 areas. Assessment rolls are prepared for each taxing jurisdiction within an area and, after confirmation by the Court of Revision, are used in the production of tax rolls. For the 1982 assessment roll, 1.3 million taxable and exempt properties were assessed. The actual market value of all properties, including some Crown properties and other properties exempt or partially exempt from taxation, was $157.1 billion. The actual and taxable values are shown in Table 5.

Municipal Finance Authority of British Columbia

The authority is incorporated under the *Municipal Finance Authority Act* to consolidate the borrowing activities of local government in British Columbia. Prior to the creation of the authority in 1970, regional and municipal governments were required to issue their own bonds individually when borrowing for capital projects. However, pursuant to the act, two special purpose districts and all regional districts and municipalities (except the City of Vancouver) are now required to finance their long-term capital requirements through the authority. The authority issues its own debentures, or other evidence of indebtedness, and lends the proceeds to the party requesting the financing. Currently the authority's bonds are given a Triple A credit rating by both major United States rating agencies.

Table 5
Actual and Taxable Property Values

	Total Actual Value	General Taxable Value	School Taxable Value
(a) By taxing jurisdiction[1]		($ millions)	
Cities	61,071	13,000	8,339
District municipalities	60,660	9,568	7,739
Towns	1,736	360	220
Villages	3,730	650	568
Rural	29,952	3,003	4,384
Total for province	157,150	26,580	21,250

(b) By property classification

	Actual Value	School Taxable Value
	($ millions)	
Residential	94,144	8,833
Utilities	10,123	2,576
Forestry	416	86
Machinery and equipment	12,050	3,075
Industrial	6,860	2,090
Commercial	28,958	4,388
Tree farm land	107	85
Seasonal resort and recreation	3,160	40
Farm land	1,324	63
Other	8	14
Total	157,150	21,250

[1] Shifts have occurred in the categories due to boundary extensions and the creation of the District of Tumbler Ridge from an unorganized territory.
Note: Small differences in totals due to rounding.

The combined credit-worthiness of all regional districts and their member municipalities, which together hold essentially all the taxable land and improvements in the province, stands behind the authority's obligations. In addition, a debt reserve fund is maintained to satisfy obligations in the event that sufficient funds are not available to meet payments or sinking fund contributions due. If the Board of Trustees is of the opinion that payments made from the debt reserve fund will not be covered within a reasonable period, it may, and under certain circumstances must, levy upon all taxable land and improvements in the province a rate sufficient to restore the fund to the amount that would have been in the fund had no such payments been made. Obligations of the authority are not obligations of the province of British Columbia and are not guaranteed directly or indirectly by the province.

At December 31, 1981, the outstanding long-term debt contracted by the authority on behalf of the regional districts and their member municipalities totalled $814.8 million and the debt reserve fund stood at $65.9 million.

Provincial Home Owner Grant

The home owner grant program reduces total real property tax levies for eligible home owners. In 1981, the grant to each eligible home owner, which is first applied against the local school tax levy, was $380. An additional $250 grant was paid to eligible home owners age 65 or over, to handicapped persons eligible under the regulations and to those eligible persons receiving an allowance under the federal *War Veterans Allowance Act*.

As a result of this property tax relief program, many British Columbia home owners paid the minimum property tax for local government services, including education, of $75 ($1 for those eligible for the supplementary grant). The minimum property tax payable in 1982 has been raised to $125, although the $1 payment requirement remains in effect for those eligible for the supplementary grant. Provincial home owner grants paid in the 1981/82 fiscal year totalled $215.8 million, an increase of 3.1 per cent from 1980/81. An estimated $194.2 million of the home owner grants were applied to local school taxes levied in 1981. The balance was applied to reduce other local property tax levies in organized and unorganized territories.

British Columbia Transit

British Columbia Transit, renamed in 1982 from the Urban Transit Authority, was established in 1978 to ensure a uniform provincial policy for urban transit. This policy provides for financial, planning and technical assistance, direct local involvement in decision-making and an equitable sharing of operating costs between the authority and local transit systems.

The authority began operations in several British Columbia communities on April 1, 1979, and now has annual operating agreements with 25 transit systems. A cost-sharing formula encourages local government to reconcile revenue sources with levels and types of service, as well as with capital and operating expenditure.

An important part of the authority's mandate is to provide a standard, unified approach to such major transit functions as the management of land, buildings, vehicles and merchandising programs. The authority now manages a provincial fleet of 1,300 vehicles, two Sea-Bus ferries and numerous physical transit assets, including transit exchanges and garages.

In addition, British Columbia Transit has overall responsibility for the construction of two major urban transit projects in Greater Vancouver—the Advanced Light Rapid Transit (ALRT) system between downtown Vancouver and New Westminster, and a commuter rail service between downtown Vancouver and Coquitlam/Maple Ridge. The 22-kilometre ALRT project, estimated to cost $650 million in 1986 dollars, is scheduled for completion during that year, while the $22.6 million commuter rail system, which will operate on existing Canadian Pacific Railway tracks, will be in operation in 1983.

British Columbia Transit also funds transportation for those who are unable to use conventional public transit vehicles. As a result, a custom transit service known as handyDART currently operates in Greater Vancouver, Victoria, Maple Ridge, Kamloops, Kelowna, Vernon and Prince George.

4. Crown Corporations and Enterprises

Introduction

Crown corporations and enterprises are entities established or acquired by the government to carry out functions better administered by independent organizations than by government ministries. These functions include commercial and quasi-commercial activities, the administration of services and programs and the financing of other public bodies. Many Crown corporations and enterprises receive financial assistance from the government in the form of grants, loans, equity investments and debt guarantees. The operations of Crown corporations are recorded in their own financial statements; only transactions with the government are reflected in the province's main financial statements. The financial statements of all Crown corporations and enterprises are subject to audit by the Auditor General or private sector auditors. Appendix 4: Table 4.1 lists major British Columbia Crown corporations and enterprises.

British Columbia Hydro and Power Authority

British Columbia Hydro and Power Authority generates, transmits and distributes electricity to more than 90 per cent of the population of British Columbia. The authority also distributes natural gas in Greater Vancouver and the Fraser Valley; distributes butane-air gas in Greater Victoria; and provides rail freight service in Greater Vancouver and the Fraser Valley.

Operations

The authority's electric generating capacity at March 31, 1982 was 8.8 million kilowatts, unchanged from the previous year. There was a record one-hour demand for electricity of 5.9 million kilowatts on January 6, 1982. A total of 35,279 million kilowatt-hours of electricity was sold, up 17.4 per cent from the previous year. At year-end, electricity service was provided to 1,076,926 customers, 88 per cent of whom were residential.

Revenue for the year increased 34.3 per cent, or $376 million, to $1,473 million. This increase was largely attributable to an unusually high volume of export sales of surplus electricity, which provided revenue of $233 million. The total cost of providing all services during the year was $1,263 million, an increase of $279 million, or 28.4 per cent.

The British Columbia Utilities Commission directed British Columbia Hydro to create as of March 31, 1982, a rate stabilization account in the amount of $90 million, funded by export sales of surplus electric energy. Net income for the year therefore was $120 million, after provision for rate stabilization.

During the year, $5.9 million was allotted to an ongoing rural electrification program. Of this amount, $4.5 million covered operating deficits in isolated diesel-generating areas, while the remaining $1.4 million was allocated to extend power lines in rural areas of British Columbia.

Table 6 contains financial and general operating data of the authority for the 1980/81 and 1981/82 fiscal years. For further information, refer to the British Columbia Hydro and Power Authority Annual Report, 1981/82.

Table 6
British Columbia Hydro and Power Authority Financial and General Operating Data

Fiscal year ended March 31,	1981	1982	Change 1981 – 1982
Electric			(per cent)
Generating name-plate capacity (rated kilowatts in thousands)	8,837	8,838	—
Customers (thousands)	1,046	1,077	3.0
Electricity sold (kilowatt-hours in millions)	30,038	35,279	17.4
Residential service—average revenue per kilowatt-hour (cents)	3.8	4.0	5.3
Gas			
Gas sold (terajoules)[1]	85,621	96,247	12.4
Customers (thousands)	318	331	4.1
Average revenue per gigajoule (dollars)	2.14	3.25	51.9
Rail freight (tonnes in thousands)	2,458	2,383	−3.1
Employees (including temporary employees)	9,540	9,733	2.0
	($ thousands)		(per cent)
Revenue	1,096,909	1,472,597	34.2
Net income from continuing operations			
Electric	105,088	101,679	−3.2
Gas	791	10,320	*
Rail freight	3,019	3,109	3.0
Other	4,141	4,833	16.7
Total	113,039	119,941	6.1
Expenditure on fixed assets—net of contributions in aid of construction	708,063	1,016,192	43.5
Fixed assets	5,971,875	6,829,290	14.4
Long-term liabilities	5,423,052	6,504,288	19.9
Working capital (deficiency) at year-end[2]	(49,480)	389,033	—

[1] The joule is the standard unit of heat content in metric measurement. A gigajoule is one billion joules; a terajoule is one trillion joules.

[2] Exclusive of current portion of long-term debt and charges therein.

* Percentage change exceeds 100.

Source: British Columbia Hydro and Power Authority Annual Report 1981/82.

Financing

During the year ended March 31, 1982, British Columbia Hydro obtained borrowings from the public financial markets in Canada ($100 million), the United States (U.S. $950 million), and Europe (U.S. $100 million).

At March 31, 1982, British Columbia Hydro's outstanding long-term debt totalled $7.1 billion compared to $5.9 billion in the previous year. Of this amount, 63 per cent was in Canadian dollars and the remainder in United States dollars.

The long-term borrowings have sinking fund provisions to ensure that funds are available at maturity to repay a significant portion of the debt. During the year, British Columbia Hydro paid trustees $54 million to meet the sinking fund requirements of long-term debt. At March 31, 1982, these sinking funds totalled $541 million.

Capital Expenditure

Expenditure on new fixed assets for continuing operations totalled $1,053 million during the year. Included in this amount were $37 million for construction, $465 million for electric generation facilities, and $466 million for electric transmission, transformation and distribution facilities.

Major Electric Service Plant Additions

The Revelstoke hydroelectric project is the only major generating project currently under construction by British Columbia Hydro. Both the concrete and earthfill dams were more than half completed in 1981. In addition, installation of the first generating unit was underway and design and acceptance testing of the 500-kilovolt switchgear for the switchyard was completed.

The contract schedule for the Revelstoke project provides for the first two 450,000-kilowatt generating units to be installed in late 1983 and two more units in 1984. Provision will be made for the addition of a fifth and sixth unit if and when peaking capacity is needed. The concrete dam and powerhouse contractor is behind schedule, however, and it is possible that the projected operating date for the first two units will not be met.

Monitoring of the Downie Slide, about 55 kilometres upstream of the dam site, continued in 1981. The underground drainage system is being extended to provide additional stabilization. Fisheries and wildlife studies also are continuing.

Manufacturing and testing of submarine cables for the 500-kilovolt transmission line between the mainland and Vancouver Island continued at the manufacturers' plants in Italy and Norway. Various sections of the cables are scheduled to be laid in each of the summers of 1982, 1983 and 1984.

British Columbia Railway Company

The British Columbia Railway Company operates 2,029 kilometres of main-line track from North Vancouver through Prince George to Dawson Creek, to Fort Nelson, and to Driftwood on the Dease Lake extension. (*See* map on page 86). In addition, the railway holds approximately 650 kilometres of industrial and yard track and sidings. Through connections at North Vancouver, Prince George and Dawson Creek, British Columbia Railway has access to the North American railway network, while deep-sea, bulk-loading facilities are located at North Vancouver and Squamish. The railway also operates a microwave communication system.

At the end of 1981, the railway's rolling stock fleet comprised 126 diesel-powered locomotives and 10,365 freight and other rail cars. The railway's land holdings of more than 19,000 hectares included, in addition to rights of way, industrial parks at Prince George, Williams Lake, Mackenzie, Fort St. John, Dawson Creek, Fort Nelson and Fort St. James.

Operations

British Columbia Railway maintained a strong performance in the first half of 1981, achieving record volumes of traffic and productivity improvements. These favourable results were followed by a major forest industry labour dispute in mid-year, then by the downturn in the North American economy. Despite these difficulties in the second half of the year, an overall net profit of $3.2 million was recorded. A summary income statement is shown in Table 7.

For the first six months of 1982, the company's operating revenue was an estimated $79.0 million, down 12.6 per cent from the same period in the previous year, reflecting the continuing weakness of the North American economy. Operating expense fell to an estimated $77.0 million, down only marginally from $78.0 million in the first six months of 1981. Estimated net profit was $2.0 million, down from $12.6 million in the first half of 1981.

Table 7
British Columbia Railway Summary Income Statement and Operating Data

Fiscal year	1980	1981	Change 1980–1981
	($ thousands)		(per cent)
Operating revenue	143,726	**152,539**	6.1
Operating expense	136,228	**149,483**	9.7
Operating profit	7,498	**3,056**	−59.2
Interest	950	**2,209**	132.5
Net profit	12,642	**3,165**	−75.0
Number of carloadings	148,243	**134,982**	−8.9
Tonnage	8,663,746	**8,323,124**	−3.9
Number of employees	2,797	**2,495**	−10.8
Main track revenue per kilometre ($)	71	**75**	5.6

Source: British Columbia Railway Annual Report, 1981.

Capital Expenditure

The company continued to invest in necessary programs to ensure the continuity of efficient rail service, with capital expenditure in 1981 totalling $20 million. Railway right-of-way improvements included rail relay programs, lining and surfacing of track, bank and cut widening, and ballasting.

In addition, construction commenced on the new B. C. Rail Centre on the Lonsdale Quay in North Vancouver. This new facility will enable 400 employees currently in nine locations in the Lower Mainland area to be situated in one complex. The six storey office building is scheduled for completion in early 1983.

Fort Nelson Extension

During the year the company completed the three-year rehabilitation program on the Fort Nelson Extension. Prior to 1977, this 400-kilometre section of track between Fort St. John and Fort Nelson was subject to frequent service interruptions. As a result of the successful completion of the rehabilitation program, continuous service now can be assured to shippers using the extension.

This rehabilitation project was funded by the provincial government which, in addition, has undertaken to provide continued support for the operation of the extension.

Passenger Service

The railway provides regular passenger service between North Vancouver and Lillooet and between North Vancouver and Prince George. During the year, the provincial government provided financial assistance to enable the company to continue the provision of this service.

Northeast Coal

The northeast coal development is a multi-billion dollar world-scale project in which British Columbia Railway is a major participant.

During 1981, agreements to proceed with this project were concluded and coal producers contracted to sell 7.7 million tonnes of coal annually to Japan. In support of this project, the provincial government is providing the necessary infrastructure for the development, including a rail link to existing transportation services. As part of this undertaking, the British Columbia Railway will construct and operate the Tumbler Ridge Branch line, for which the provincial government has agreed to provide financing.

The advent of the coal traffic, scheduled to commence in December 1983, will provide a large stimulus to the company's operations and to its future growth. Current contracts, representing only one per cent of the area's known recoverable coal reserves, will more than double the present net tonnage hauled by the railway.

Insurance Corporation of British Columbia

The Insurance Corporation of British Columbia was established in 1973 to provide a comprehensive automobile insurance plan which would replace services previously offered by private insurance companies. The mandate of the

Table 8
Insurance Corporation of British Columbia Operating Data

Fiscal year ended December 31,		1980	1981	Change 1980–1981
Auto insurance				(per cent)
Number of vehicle policies		1,805,000	**1,873,000**	3.8
Premium income	($000)	419,000	**562,000**	33.9
Average premium	($)	232	**300**	29.3
Number of claims for policy year		477,000	**480,000**	0.6
Cost of claims incurred	($000)	450,000	**553,000**	22.9
Unpaid claims	($000)	450,000	**578,000**	28.4
Expense ratio	(per cent)	17	**13**	−23.5
Investment income	($000)	70,700	**102,600**	45.1
Income (loss)	($000)	(66,000)	**1,600**	—
General insurance				
Number of policies		106,000	**101,000**	−4.7
Net premiums earned	($000)	21,800	**23,544**	8.0
Number of claims recorded		10,000	**10,000**	0.0
Cost of claims incurred	($000)	13,000	**16,777**	29.1
Unpaid claims	($000)	13,400	**17,000**	26.9
Investment income	($000)	3,100	**4,402**	42.0
Income	($000)	1,800	**1,300**	−27.8
Corporate				
Average number of employees		2,387	**1,510***	−36.7
Investments at year end	($000)	585,000	**701,000**	19.8
Total assets	($000)	667,000	**877,000**	31.5

* For 5 months of 1981 approximately 2,200 employees were involved in a labour dispute with the corporation.

corporation has since been altered to allow private insurers to sell some types of automobile insurance, in competition with the corporation. The corporation also provides a wide range of general insurance services, including fire insurance.

A labour dispute affected the first eight months of the corporation's activities in 1981 and, as a result, administrative and claims operations expenses remained at a level close to that of the previous year. However, the cost of claims incurred rose by 23 per cent to $553 million, resulting in a 19 per cent increase in total expenses. These increasing costs were anticipated by the corporation, leading to a premium rate increase averaging 38 per cent during the year. Total revenue of the Insurance (Motor Vehicle) Act Fund reached $664.9 million for the year ended December 31, 1981. As a result, the fund reported income for 1981 of $1.6 million compared with a $66 million loss in 1980. At the end of 1981 the unappropriated surplus in the fund was $8.0 million.

In 1981 net earned premiums from general insurance operations totalled $23.5 million and claims and expenses totalled $26.6 million. Investment income of $4.4 million produced net income for the year of $1.3 million, and retained earnings at December 31, 1981 were $12.5 million. A summary of operating data is presented in Table 8 on the previous page.

British Columbia Ferry Corporation

The British Columbia Ferry Corporation was established in 1977 to assume responsibility for operation of the province's major coastal ferries. Assets with a book value of $53.1 million were transferred to the corporation by the provincial government at an assigned value of two dollars. Based on appraisals, the assets were re-valued to a depreciated value at January 1, 1977 of $249.7 million. The corporation currently employs 2,600 permanent and auxiliary staff.

With 25 ferries now operating on 15 routes, the British Columbia ferry system is one of the largest in the world in terms of traffic carried and routes serviced. The vessels in service have a capacity of 4,400 cars and licensed capacity of 20,000 passengers. Routes connect the Lower Mainland, Vancouver Island and the Gulf Islands. In addition, service is offered between Prince Rupert and Port Hardy (extended to Tsawwassen between October and May) and between Prince Rupert and Skidegate on the Queen Charlotte Islands. Chartered services for passengers and light freight are also provided for communities on the west coast of Vancouver Island and between Prince Rupert, Port Simpson and Kincolith. A chartered barge service for unaccompanied private and commercial vehicles is also provided between Prince Rupert and Masset.

Operations

The operating costs of the corporation are subsidized by the province. In the 1981/82 fiscal year, the subsidy was $58.9 million, an increase of $5.8 million over the previous year. Operation and maintenance costs and annual depreciation and interest charges, in excess of the annual subsidy, must be recovered from fares and other revenue.

In March 1977, the government of Canada agreed to pay the province an annual ferry and coastal passenger and freight services subsidy of $8 million, to be adjusted thereafter by the annual change in the Vancouver consumer price index.

For the fiscal year ended March 31, 1982, the corporation reported net income of $0.7 million after an operating loss of $32.1 million and depreciation of $26.1 million were offset by the provincial subsidy. Net revenue for the year totalled $100.9 million (*see* Table 9). The corporation has authority to borrow up to $250 million, which may be guaranteed by the province. To date, the corporation has borrowed $28.5 million from private sources, all during the 1981/82 fiscal year.

Table 9

British Columbia Ferry Corporation Summary Income Statement and Operating Data

Fiscal year ended March 31,	1981	1982	Change 1981–1982
	($ millions)		(per cent)
Net operating revenue	90.7	**100.9**	11.2
Operating expense	104.9	**133.0**	26.8
Operating loss before subsidy	14.2	**32.1**	126.1
Provincial subsidy	53.1	**58.9**	10.9
Income from operations	38.9	**26.8**	−31.1
Net income	16.7	**0.7**	−95.8
Traffic	(thousands)		
Vehicles	4,625.9	**4,712.9**	1.9
Passengers	12,512.9	**12,763.7**	2.0
Capacity utilization (annual average)	(per cent)		
Vehicles	59.8	**48.2**	
Passengers	28.1	**26.4**	

Source: British Columbia Ferry Corporation Annual Report 1981/82.

Capital Expenditure

During 1981/82 the corporation spent $74.4 million on capital projects. Of this amount, $53.6 million was spent on ships and $20.8 million was allocated to terminal facilities. Four 192-car ferries were enlarged, two to 284-car capacity and two to approximately 400-car capacity, at a cost of $48.8 million, while an additional $4.8 million was spent completing two "class C" ships. New berths were completed at Prince Rupert and at Village Bay on Mayne Island at costs of $1.8 million and $2.8 million respectively. The corporation also continued expansion of the Departure Bay facility in Nanaimo at a cost of $5.5 million. Upper level loading ramps were partially completed at Swartz Bay and Tsawwassen at a cost of $6.8 million. It is estimated that an additional $4.7 million will be needed to complete the ramps.

Outlook

The corporation has sufficient capacity to meet demand for several years with its existing operations. High fuel prices and weakness in the United States and Canadian economies have moderated growth in demand for ferry services. In addition, the capacity gained from the two new ships and modifications to the four older ships has also expanded the corporation's ability to meet future demand. Nonetheless, the corporation is studying options for accommodating increased traffic, in preparation for possible growth in demand beyond current capacity.

British Columbia Petroleum Corporation

The British Columbia Petroleum Corporation was established in 1973 to market natural gas produced in British Columbia. Pursuant to an agreement signed in that year, the corporation purchases gas from producers and sells it to Westcoast Transmission Company Limited. Under this agreement, Westcoast Transmission assigned its British Columbia gas purchase contracts to the corporation, but retained responsibility for gathering, processing and transporting gas and for selling it to domestic utilities and to Northwest Pipeline Corporation in the United States. Westcoast retains its cost of service, including a return on its rate base, from the proceeds of gas sales and transfers the balance to the corporation, which in turn deducts administration costs and payments to the producers, transferring any remaining balance to the provincial treasury. Producers are not required to pay royalties or costs of processing and transporting gas under this agreement. The corporation also owns and is responsible for selling all sulphur and natural gas by-products extracted during the processing of raw gas.

Table 10
British Columbia Petroleum Corporation Statement of Income and Retained Earnings

Fiscal year ended March 31,	1981	1982	Change 1981–1982
	($ thousands)		(per cent)
Revenue—gas sales	455,380	562,270	23.5
Expenses			
Gas purchases	247,168	349,149	41.3
Administrative and general expenses	1,542	1,427	−7.5
	248,710	350,576	41.0
Income from operations	206,670	211,694	2.4
Other income	1,657	8,228	396.6
Net income	208,327	219,922	5.6
Add: Retained earnings at beginning of year	53,727	41,979	−21.9
Deduct: Transfers to Minister of Finance	220,075	205,000	−6.8
Retained earnings at end of year	41,979	56,901	35.5

Source: British Columbia Petroleum Corporation Annual Report, 1981/82.

Table 11
Recent Changes in the Export Price of Natural Gas

Date	Price Per Gigajoule[1]	Price Per MMBTU[1]
	$U.S.	
Prior to May 1, 1979	2.00	—
May 1, 1979	2.14	2.30
August 11, 1979	2.61	2.80
November 3, 1979	3.22	3.45
February 17, 1980	4.17	4.47
April 1, 1981	4.60	4.94

[1] The gigajoule and MMBTU (million British thermal units) are used to measure the energy equivalence of various fuels.

In the 1981/82 fiscal year, the corporation's gas sales increased over the previous fiscal year, but remained considerably lower than the levels of earlier years (*see* Table 10). The export price of Canadian gas was unchanged from April 1, 1981, remaining at United States $4.60 per gigajoule. (Increases in the export price of natural gas since May 1, 1979 are detailed in Table 11). This price stability, however, did not lead to improved sales. Export demand continued at a low level for the second successive year, due to: the effects of the United States recession; a surplus of residual fuel oil available at prices substantially below the cost of imported gas; and the increased availability in the United States of lower-priced domestic supplies. For further information pertaining to natural gas production, *see* Chapter 6: Industrial Development, Petroleum and Natural Gas.

Under its gas purchase contracts with producers, the corporation is obligated to purchase and take delivery of, or pay for, a specified minimum annual volume of natural gas. Due to the continued low export demand in 1981, the corporation did not take delivery of the minimum volume and is liable to pay for the resulting deficiency. This deficiency was considerably lower than in 1980 because the corporation negotiated a reduction in the minimum annual volume obligation with producers. The agreement reduced the minimum obligation for the period 1981 to 1983 inclusive, from 72 per cent to 52 per cent of the contracted volumes. The corporation is entitled to take delivery of this deficiency gas over a period of ten years, with an adjustment for the prices prevailing when the gas is delivered.

Pricing

Field prices and utility wholesale prices were increased on two occasions during 1981/82. The first price increase, effective August 1, 1981, resulted from the recommendations of the British Columbia Utilities Commission Natural Gas Price Inquiry. The second price increase, effective February 1, 1982, was needed to compensate natural gas producers for the petroleum and natural gas revenue tax increase. This increase, which was contained in the November 1981 federal budget, was a result of the 1981 energy agreements between the federal government and the gas-producing provinces.

New Developments

The first major industrial petrochemical plant in British Columbia, a methanol plant, was built by Ocelot Industries Ltd. in Kitimat and commenced operations in mid 1982. The corporation has signed 21-year contracts with Pacific Northern Gas Ltd. and Ocelot Industries Ltd. to provide gas as feedstock for the plant.

In July 1982 the provincial government announced approval for a consortium headed by Dome Petroleum Ltd. to begin construction of a liquid natural gas plant and terminal on British Columbia's northern coast. A pipeline will link the plant to gas fields in British Columbia and Alberta. The consortium will buy gas from the British Columbia Petroleum Corporation and various Alberta suppliers, liquify the gas, then load it on vessels destined for export markets. Approval by the National Energy Board is required before export shipments can commence.

British Columbia Development Corporation

The British Columbia Development Corporation was established in 1973 to encourage economic growth and development in British Columbia by assisting in the establishment, expansion and continued operation of industry in the province. The corporation has an authorized capital of $200 million and a limitation on its guarantees, debt and capital structure of $1 billion. At March 31, 1982, the issued share capital was $42.5 million and outstanding debt, guaranteed by the province, was $90.3 million.

The Business Finance Division of the corporation provides capital to individuals and businesses for the creation, expansion or improvement of operations. In the 1981/82 fiscal year, the corporation approved 121 loans and guarantees valued at approximately $27 million (*see* Table 12), yielding a total loan portfolio of $65 million at March 31, 1982. To that date, the Business Finance Division had approved 371 low-interest loans totalling $41.9 million under the Low Interest Loan Assistance (LILA) program, which the corporation administers as trustee for the province. These loans and guarantees are concentrated in manufacturing and processing industries.

The Projects Division undertakes special assignments to meet specific needs of the province. The division is currently participating in urban renewal programs in New Westminster and North Vancouver; the development of a 150-hectare

Table 12
Activities of the Business Finance Division

Major Loan and Guarantee Approvals for year ended March 31, 1982	Number	BCDC Participation	Total Program	Employment Created/ Preserved
		($ millions)		
Metal products	34	4.5	8.8	137
Wood products	13	7.7	10.0	99
Food and beverages	7	0.9	1.5	232
Aircraft	2	3.5	7.0	112
Building products	9	1.9	3.5	39
Printing and allied industries products	15	1.8	3.3	66
Scientific and professional apparatus	7	2.3	3.3	35
Electrical apparatus and supplies	6	1.0	3.7	42
Other	28	3.4	8.7	186
Total	121	27.1	49.9	948

Note: Small differences in totals are due to rounding.
Source: British Columbia Development Corporation

Table 13
British Columbia Development Corporation Summary Income Statement

Fiscal year ended March 31,	1981	1982	Change 1981–1982
Revenue—Industrial development programs	($ thousands)		(per cent)
Loans and guarantees	14,084	18,158	28.9
Land and development project sales	8,848	13,932	57.5
Lease financing	962	1,456	51.3
Other	1,295	1,754	35.4
Total	25,188	35,299	40.1
Expense	18,188	27,584	51.7
Net earnings for the year	1,915	1,975	3.1

Note: Small differences in totals are due to rounding.
Source: British Columbia Development Corporation Annual Report, 1981/82.

industrial park and shipping terminal at Duke Point in Nanaimo; the development of the Port of Prince Rupert; the development of a 140-hectare high technology industrial park in Surrey; and the collection of British Columbia transportation artifacts for use in Expo 86. The division also has aided in the development of major tourist and recreation projects in the province.

The corporation acts as agent for all Crown industrial land and has assembled parcels in several areas of the province. At March 31, 1982, investment in industrial land and projects was $106.4 million, up $29 million from the previous fiscal year. A summary income statement for the corporation is provided in Table 13.

British Columbia Cellulose Company

British Columbia Cellulose Company was established in 1973 as an agent for the Crown to hold the shares of certain forest products companies and to assist in the management of certain companies directly owned by the Crown. Most assets of the British Columbia Cellulose Company were transferred to the British Columbia Resources Investment Corporation in February 1978 and the company now retains responsibility only for the Ocean Falls Corporation.

For the year ended December 31, 1981, revenue of British Columbia Cellulose amounted to $1.4 million, while expenditure totalled $1.0 million. Professional services, retained to continue cruising and engineering functions and to develop plans for a processing plant, accounted for $800,000 of total expenditure. Provision was made for the potential loss of a $500,000 loan to Ocean Falls Corporation as at December 31, 1981 and, as a result, a loss of $36,000 was recorded for the year.

The corporation's net income for the first six months of 1982 is estimated at $263,000, compared to $109,000 for the same period in the previous year.

Ocean Falls Corporation

A decision was made in March 1980 to phase out the Ocean Falls newsprint operation, since the mill faced an inadequate timber supply and a future of increasing production losses. The last newsprint was produced in early June of that year.

For the fiscal year ended December 31, 1981, the Ocean Falls Corporation incurred a net loss of $5 million compared to a loss of $12.6 million in the previous year.

British Columbia Cellulose Company is continuing its evaluation of a three-year, close utilization wood-use experiment which would use the existing Ocean Falls community facilities as a service centre for contract loggers. The experiment would test the economic feasibility of using cedar fibre to produce oriented strand board, a plywood substitute.

British Columbia Harbours Board

The British Columbia Harbours Board was established in 1967 to encourage the development of harbour facilities in British Columbia, to provide access to these facilities, and to promote compatible industrial development. Since the inception of the board, its major activities have been related to the provision of access to the Roberts Bank Superport, south of Vancouver. The board also has completed master plan studies for the development of ports at Kitimat, Stewart and Campbell River.

The British Columbia Harbours Board Railway services the Roberts Bank Superport, which is currently being expanded under a 1980 federal/provincial agreement. On completion, the terminal area will be tripled; additional handling facilities and rail track will have been constructed to serve the expanded Westshore terminal.

The book value of the board's assets at March 31, 1982 was $33.7 million. As a result of the board's payment of $8.8 million to the province, aggregate repayable advances from the province were reduced to $10 million, while retained earnings at year-end increased by $4.5 million to $18.2 million. The borrowing authority of the board is $50 million.

Unaudited financial statements indicate the board's net operating income for the three months to June 30, 1982 was $1.1 million, compared to $1.2 million in the same period last year.

British Columbia Steamship Company (1975) Limited

The British Columbia Steamship Company (1975) Limited is incorporated under federal legislation and operates a daily, round-trip ferry service from May to October between Victoria and Seattle, Washington. The corporation was established in 1975 when the provincial government purchased the *Princess Marguerite* from the Canadian Pacific Railway, which was in the process of abandoning the route. The *Princess Marguerite* is licensed to carry 1,800 passengers and approximately 50 automobiles.

Operating revenue for the corporation rose dramatically in 1981 to $7.9 million from $3.0 million in 1980, while operating expenses increased only slightly during the year. This large increase in revenue occurred because the *Princess Marguerite* returned to service in 1981 after being retired in 1979 and undergoing a major refit in 1980. The corporation's net loss was reduced from $4.7 million in 1980 to only $0.3 million in 1981. During the year, 357,320 passengers and 14,154 cars were transported by the vessel.

Provincial Rental Housing Corporation

The Provincial Rental Housing Corporation, which was acquired in 1973, is incorporated under the *Company Act* and is wholly owned by the province. The corporation is self-supporting and holds all public rental housing on behalf of the Ministry of Lands, Parks and Housing. At December 31, 1981, investment by the corporation in these rental properties amounted to $88.9 million and loans from the Canada Mortgage and Housing Corporation, under the provision of section 43 of the *National Housing Act*, totalled $47.1 million. These loans are secured by mortgage debentures and are not guaranteed by the province. Repayment is amortized over 50 years from funds generated by the rental operation.

British Columbia Housing Management Commission

The Housing Management Commission is an agency of the province, authorized under the *Ministry of Lands, Parks and Housing Act*. The commission manages both provincially financed rental housing and housing which is jointly financed and developed for rental by the province and Canada Mortgage and Housing Corporation. In 1981 the combined portfolio included 8,048 housing units in 137 projects in 48 British Columbia municipalities. This is an increase of 99 units and three projects over the previous fiscal year.

The commission also administers federal/provincial rent supplement programs designed to maintain reasonable rents in non-profit and designated private sector housing units. Payments to non-profit societies to maintain senior citizens' rents at 25 per cent of income totalled $5.3 million in 1981, while payments to tenants of designated private sector rental units in assisted rental program buildings totalled $2.5 million.

In 1981, the commission's tenant rental revenue increased by $1.9 million to $14.9 million, while operating expenses increased $3.5 million to $18.2 million. Because interest and other income rose by 64.4 per cent in 1981, total expenditure net of revenue decreased slightly to $8.3 million in 1981 from $8.4 million in 1982.

For the six months ended June 30, 1982, net expenditure of the commission was approximately $7.0 million.

Housing Corporation of British Columbia

The Housing Corporation of British Columbia functioned primarily as a land developer and real estate contractor until a decision was made in September 1978 to dispose of its assets and terminate its operations. The liquidation of assets is nearing completion; assets at October 31, 1981 totalled $6.8 million, down from $10.9 million in the previous year. Only a small amount of property is held by the corporation, while mortgages receivable currently total only $1.7 million.

British Columbia Buildings Corporation

The British Columbia Buildings Corporation was established in 1976 to provide accommodation and related services to the provincial government. The corporation acts as an agent of the government in developing, owning and managing accommodation for government ministries. The corporation also provides property, lease, administrative, financial and energy management services for its clients. Each ministry is assessed a market-comparable charge for occupancy, which is intended to encourage efficiency in the use of accommodation.

The corporation currently manages 2.1 million square metres of property space. Portfolio growth during the 1981/82 fiscal year resulted mainly from the acquisition of 319 properties, encompassing more than 80,000 square metres of accommodation, from the Ministry of Forests. Despite portfolio growth of 46 per cent, the corporation has stabilized its staff levels and now has 33 fewer positions than at start-up.

At the end of the third year of a five-year energy conservation program, the corporation had reduced its energy consumption by 15.6 per cent, yielding a cumulative saving of $3.2 million. In addition, the effective vacancy rate for the corporate portfolio has been reduced to an all-time low of 0.5 per cent from 0.8 per cent in the previous year, resulting in a further substantial cost-saving.

The corporation's summary income statement, major fixed assets, long-term liabilities and return on investment are shown in Table 14.

Table 14
British Columbia Buildings Corporation Summary Income Statement

Fiscal year ended March 31,	1981	1982	Change 1981–1982
	($ millions)		(per cent)
Revenue	154.0	179.1	16.3
Net income	17.0	16.7	−1.8
Net real estate portfolio	388.2	462.8	19.2
Net long-term debt outstanding[1]	149.7	204.9	36.9
Notes payable to province	166.3	179.6	8.0
	(per cent)		
Return on investment	8.0	9.0	—

[1] This increase reflects capital acquisitions and expenditure.

British Columbia Systems Corporation

The British Columbia Systems Corporation was established in 1977 to consolidate and rationalize data processing services provided to government. Pursuant to the *System Act,* the corporation may be advanced or borrow up to $65 million. To date, the corporation has borrowed or been advanced $50.3 million, most of which is being used to acquire capital equipment, meet administrative costs, and finance a new corporate facility. A summary income statement for the corporation is provided in Table 15.

Support for the British Columbia data processing industry also continued in 1981/82, and a new competition policy will allow broader private sector participation in government data processing.

The corporation has a new consolidated facility under construction in Saanich, which is scheduled for completion in the spring of 1983.

Table 15
British Columbia Systems Corporation Summary Income Statement

Fiscal year ended March 31,	1981	1982	Change 1981–1982
	($ millions)		(per cent)
Revenue	49.1	57.9	17.9
Net addition to fixed assets	18.0	15.1	−16.1
Working capital	1.9	−11.2	—
Net income	1.5	2.7	80.0

British Columbia School Districts Capital Financing Authority

As the marketing agency for the capital fund requirements of school districts, this authority raised $108.5 million in investment funds in the fiscal year ended March 31, 1982. Since 1963, $1,251 million has been provided to school districts by the authority, all guaranteed by the province. The net amount outstanding at March 31, 1982 was $824.7 million.

British Columbia Regional Hospital Districts Financing Authority

As the marketing agency for the capital fund requirements of regional hospital districts, this authority provided $128.1 million in investment funds in the fiscal year ended March 31, 1982. Since 1967, a total of $681.9 million has been provided to regional hospital districts by the authority, all guaranteed by the province. The net amount outstanding at March 31, 1982 was $560.7 million.

British Columbia Educational Institutions Capital Financing Authority

This authority is the marketing agency for the capital fund requirements of universities, colleges and provincial institutes. Borrowings of $109.1 million were undertaken in the fiscal year ended March 31, 1982. Since 1978, a total of $227.3 million has been provided to educational institutions by the authority, all guaranteed by the province. The net amount outstanding at March 31, 1982 was $221.1 million.

Liquor Distribution Branch

The Liquor Distribution Branch of the Ministry of Consumer and Corporate Affairs, operating under the *Liquor Distribution Act*, is responsible for the distribution and retail sale of alcoholic beverages in British Columbia. The purposes of the branch are: to provide service acceptable to consumers; to provide suppliers with a controlled and equitable access to the market; to raise revenue for the government, and to encourage responsibility in the use of alcohol.

The ongoing program of upgrading retail service and facilities continued in 1981/82. The branch opened a new satellite distribution centre in Kamloops to supply the Interior directly, and also opened three new stores, replaced 10 existing outlets, completed numerous renovations and converted several stores to self-serve.

During 1981/82, the branch operated 213 government liquor stores and 72 agency stores in remote communities. Approximately 1,900 products, including specialty items, were offered. The distribution centres in Vancouver and Kamloops shipped a total of 8 million cases to stores.

Net income of $321 million was transferred to the province for the 1981/82 fiscal year, up 14.7 per cent from the previous fiscal year.

Pacific Coach Lines Limited

Pacific Coach Lines Limited was established on August 2, 1978 to assume and merge the operations of Pacific Stage Lines, formerly operated by British Columbia Hydro and Power Authority, and Vancouver Island Coach Lines, formerly a subsidiary of T.S. Holdings Limited. The company acquired the assets and operations of Vancouver Island Coach Lines on August 31, 1978 and began operations on September 1, 1978. On April 1, 1979, the assets and operations of Pacific Stage Lines were acquired from British Columbia Hydro and Power Authority.

The company's expenses for the 1981/82 fiscal year were $26.4 million. Operating revenue covered approximately $16.5 million of this amount, while a $9.9 million provincial subsidy covered the remainder.

Provincial Capital Commission

In co-operation with the four core municipalities of Victoria, Esquimalt, Saanich and Oak Bay, the Provincial Capital Commission has spent or committed approximately $7.0 million since 1956 for beautification of the Capital Region. Expenditure has been for such works as upgrading of the Dallas Road scenic drive, beautification of the Gorge waterway, improvements to Bowker Creek, development of the West Bay and Inner Harbour walkways, improvement of the Victoria Inner Harbour and creation of several parks.

More recent projects include the restoration and management of the Crystal Garden, participation in the rehabilitation of Victoria's historic Chinatown and improvements to the Colquitz River Park.

The commission is currently reconstructing the pedestrian forecourt and upper level deck facilities on its Belleville Street property. In addition, the commission is responsible for augmenting its existing greenbelt properties on the highways into the city, and for the newly acquired former campus of St. Ann's Academy.

British Columbia Place

British Columbia Place Limited, established in August 1980, is responsible for the redevelopment of more than 80 hectares of land on the north shore of False Creek in Vancouver. British Columbia Place will include a full range of residential accommodation, office and commercial space, a covered multi-purpose amphitheatre and other public amenities. The 60,000-seat covered amphitheatre, which is the centrepiece of the redevelopment and the focal point for Expo 86, is currently under construction for a guaranteed maximum price of $111.4 million. Completion is scheduled for mid-1983. The total redevelopment project will require approximately 15 years to complete.

Profits of the land redevelopment program will accrue to the province, which retains full ownership of the corporation.

Expo 86 Corporation

Renamed from the Transpo 86 Corporation on April 1, 1982, the Expo 86 Corporation is responsible for planning, developing and hosting the 1986 World Exposition. The exposition, which will have transportation and communication as its theme, will run from May 2 to October 13, 1986. It is expected to draw an attendance of 13 million and to create almost $1 billion in direct economic activity and 15,000 person-years of new employment.

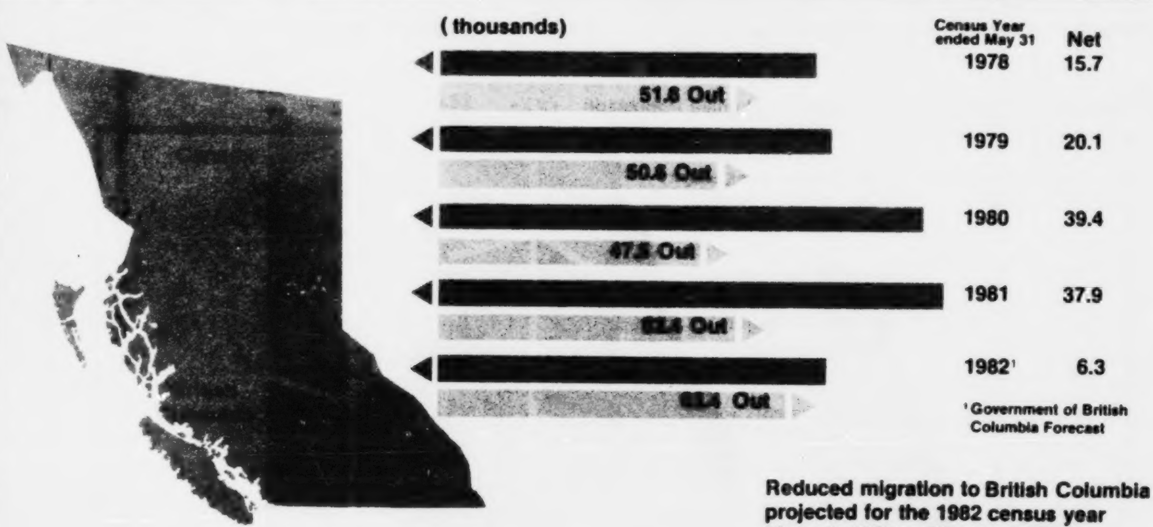
Expo 86 will be located on a site of more than 50 hectares in downtown Vancouver. Already, 12 nations plus the Governments of Canada, British Columbia, Quebec and Ontario have announced their intention to participate in the exposition.

5. Provincial Programs for People

Demographics and Social Programs

The provincial government provides a wide range of social services, including those for health, education, income assistance, housing, labour, consumer and corporate affairs, justice, recreation and culture. The cost and type of programs provided are strongly influenced by demographic characteristics. Changes in the age structure and size of the population affect the education system, health-care requirements, demands for shelter, job retraining needs, programs for the elderly and a range of other government services. Demographic trends must be closely monitored and accurately projected to ensure effective program planning. For details pertaining to past demographic trends in British Columbia, *see* the special topic box on the following page.

hart 7 British Columbia Interprovincial Migration (Census Basis)



Reduced migration to British Columbia projected for the 1982 census year (June 1, 1981 to May 31, 1982) is the result of a deceleration in economic activity and employment growth.

Source: Statistics Canada

Demographic Trends

The size and characteristics of British Columbia's population have changed significantly in the past two decades, greatly affecting the types of public services which the government is required to provide.

Population Growth

During the period 1961 to 1981, the population of British Columbia increased from 1,629,082 to 2,744,467, or 46.5 per cent. Of this total increase, approximately 40.6 per cent was attributable to net interprovincial migration, 22.2 per cent to international migration and 37.2 per cent to natural increase. For the same period the population of Canada grew by only 33.5 per cent.

Population Structure

British Columbia is also experiencing a change in the age structure of its population, as is shown in the chart below, due to the high birth rate that was experienced during the period 1946 to 1966. As those persons born in the post-war baby boom have matured over time, the relative proportion of persons in various age groups has changed. This trend is clearly illustrated by the varying proportion of persons in the 0-9 year age group. In 1961 this group represented 22.0 per cent of total population, in 1971 it comprised 17.8 per cent, and in 1981 only 13.8 per cent.

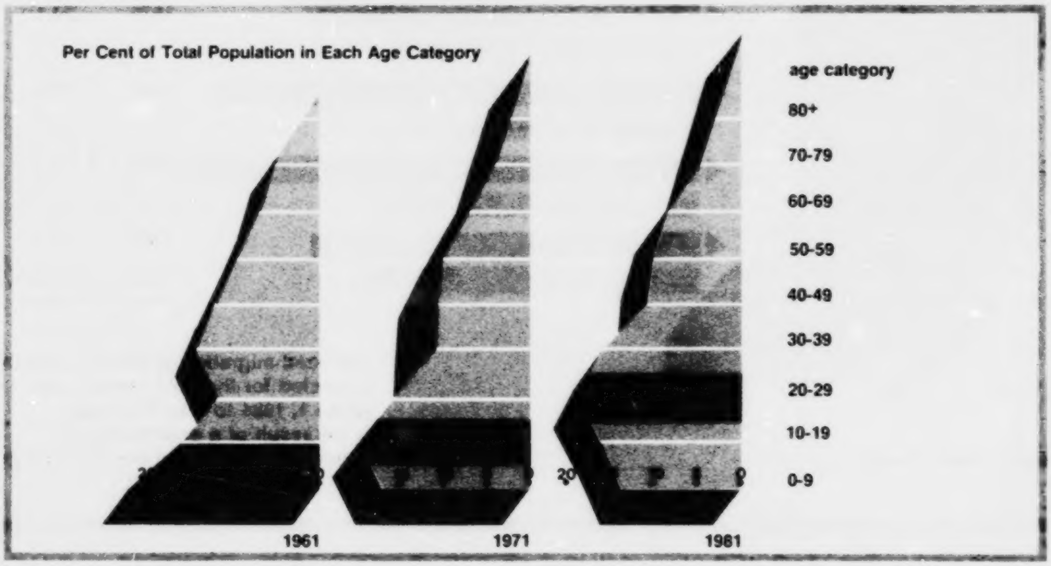
Impact on Services

The changing age structure of the population affects the level of demand for certain public programs and services. For example, the varying proportion of school-age children has had a dramatic effect on the required level of education services. In 1961 those in the 5-19 age group comprised 27 per cent of the population, but by 1981 this group represented only 23 per cent. To meet this changing demand, the government has been required to adjust its policies in order to supply the appropriate level and type of services and programs.

The impact of demographic changes on government services is also affected by the changing proportion of persons in the labour force. The labour force represented 35.2 per cent of total population in 1961; 41.2 per cent in 1971, and 48.7 per cent in 1981. The rapid growth in the number of persons seeking employment, and particularly the growing proportion of women in the labour force, has necessitated changes in many of the government's economic and social programs.

As population projections indicate continuing shifts in the structure of the province's population, the government will be required to respond with further changes to its programs and services.

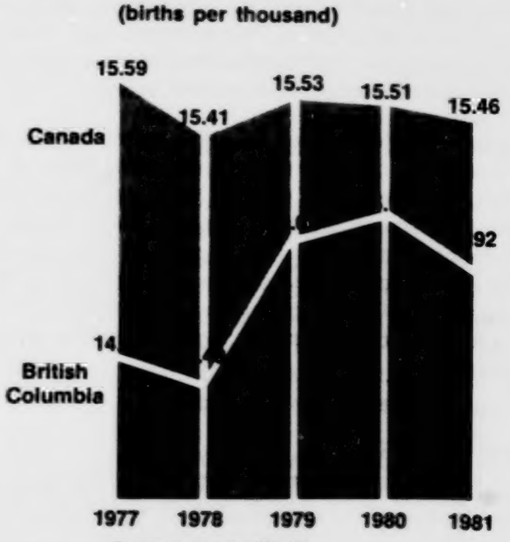
Changing Age Structure of the British Columbia Population



British Columbia's population at June 1, 1981, the time of the most recent federal census, was 2,744,000, up 11.3 per cent from the 1976 census. The rise represents a compound annual growth rate of 2.2 per cent, double the Canadian rate of 1.1 per cent. This rate of increase maintains British Columbia's historically high growth level; British Columbia traditionally has experienced significantly more rapid population growth than the Canadian average. As a result, the province's share of national population has increased from 10.1 per cent in 1971 to 10.7 per cent in 1976 and 11.3 per cent in 1981. At June 1, 1982, British Columbia had an estimated population of 2,789,000, up 1.6 per cent from the previous year.

While British Columbia's population growth in recent years has been attributable primarily to interprovincial migration (*see* Chart 7), this factor was less significant in 1981/82. From June 1, 1981 to May 31, 1982, British Columbia experienced an estimated net migration from other provinces of 6,300, down significantly from 37,900 the previous year. This reduced migration is due to the lower levels of economic activity and employment growth in British Columbia. Nonetheless, the province relies largely on in-migration and international immigration for population growth because the British Columbia birth rate is below the Canadian average. (*See* Chart 8).

Chart 8 Birth Rate (Census Basis)



Census year ended May 31.

Because the British Columbia birth rate has traditionally been lower than that of Canada, the province relies on in-migration for population growth.

Source: Statistics Canada (unpublished data)

Health Programs

In the 1981/82 fiscal year, more than $2 billion was allocated to provincial health programs, including planning and development programs for 28 regional hospital districts and community health service programs in 22 health units. The Ministry of Health funds all 120 public and five government hospitals, and also operates medical insurance and other related programs.

Public Hospitals and Hospital Programs

Gross operating expenditure in 1981/82 for the province's general, rehabilitation and extended-care public hospitals reached approximately $1.165 million. This funding was provided almost entirely by the provincial government, with the exception of receipts from such charges as the *per diem* fee directly assessed each patient.

Following an average stay of 8.8 days, an estimated 423,394 patients, were discharged from the province's hospitals in 1981/82. Of this number, 96.6 per cent were covered by hospital benefit programs, representing 3.7 million days of prepaid care for adults and children in public hospitals.

In 1981/82, approximately 20 major hospital capital projects were completed, requiring an estimated expenditure of $133 million. These projects included the new Children's and Grace hospitals in Vancouver, which were built on the grounds of Shaughnessy Hospital, and provide 200 pediatric and 122 maternity beds respectively. More than 20 other projects are currently underway, involving a capital cost estimated at $264 million. These capital costs are shared with local municipalities; in recent years, the province has provided approximately 55 per cent of the required funding.

Medical Services Plan

The Medical Services Plan of British Columbia provides comprehensive medical-care coverage on a voluntary basis to residents of the province. The basic coverage includes services by physicians and surgeons, certain in-hospital surgery performed by oral or dental surgeons, and specified, limited services of nurse practitioners, chiropractors, naturopathic physicians, optometrists, orthoptic technicians, physiotherapists, podiatrists and orthodontists.

The province subsidizes the Medical Services Plan for the portion of its costs not covered by premium revenue. (Premium rates are listed in Table 16.) In addition, temporary assistance of 90 per cent of monthly premiums is available to eligible persons who, by reason of illness, disability, unemployment or financial hardship, are unable to meet the premium charges. A 50 per cent discount rate applies to those whose taxable income in the previous year was between $1880 and $2810. The province also pays the full applicable premium for eligible persons certified by the Ministry of Human Resources and for needy persons in provincial government institutions.

Table 16
Medical Services Plan Premium Rates (Effective April 1, 1982)

Monthly premium where taxable income in previous year is	less than $1,880	$1,880–$2,810	more than $2,810
	$	$	$
One person	1.50	7.50	15.00
Family of two	2.80	14.00	28.00
Family of three or more	3.20	16.00	32.00

At March 31, 1982, the Medical Services Plan covered almost 1.3 million subscribers with 1.4 million dependents. Coverage of these persons, and coverage by the federal government of such other residents as Armed Forces personnel, provided more than 99 per cent of British Columbians with the protection of prepaid medical care programs.

Dental Care

A dental care program which benefits an estimated 1.1 million British Columbians commenced January 1, 1981. The program pays 100 per cent of most dental care costs for those receiving income assistance and 75 per cent for those with low incomes, while other persons age 65 and over may have 50 per cent of their dental care costs paid. For children age 14 and under, the program allows one free annual preventive care service and pays 50 per cent of most other dental care costs. The cost of the plan for the 1981/82 fiscal year was $77.7 million. Due to government financial constraints, most aspects of the plan have been suspended for two years, effective September 1, 1982.

Preventive Services

Health districts in non-metropolitan areas offer a wide range of preventive and environmental health services province-wide. Public health nursing, dental care, speech and hearing services, communicable disease control and public health inspection services are made available to all residents through schools, clinics and other community settings. The Capital Regional District and five Greater Vancouver municipalities each operate their own public health departments which receive consultative and specialized services, as well as financial assistance, from the provincial government. These preventive services are supported by laboratory and other resources operating from Vancouver.

Long-Term Care/ Home Care Program

The Long-Term Care/Home Care Program is available throughout the province to persons who, as a result of health-related problems, can no longer function independently. The Long-Term Care Program is designed to assist eligible individuals to remain in their own homes; when this is no longer possible, admission to a community-care facility or extended-care hospital is provided. At March 31, 1982 there were 22,946 persons in community care and extended-care hospitals. An additional 22,581 persons were receiving services in their homes.

The Home Nursing Care Program provides professional care to patients of all age groups who are eligible because of an ongoing health problem or because of a problem that would otherwise require acute-care hospitalization, care in a physician's office or admittance to a long-term care facility. Services are provided by professional nurses, physiotherapists, occupational therapists, community agencies and the Home Support Services Program. During the 1981/82 fiscal year, 40,813 new patients were admitted to the program and 706,235 hours of professional nursing care were provided.

Emergency Health Services Commission

The Emergency Health Services Commission is responsible for the provision of ground ambulance service, coordination of air ambulance service and training of ambulance personnel. The commission is empowered under the *Health Emergency Act* to establish, equip and operate various emergency health-care services; provide temporary physician coverage; take responsibility for the medical aspects of disaster planning; and improve communication systems for emergency health services. The commission is also responsible for updating and relocating federal emergency medical stores throughout the province.

The commission currently operates 161 ambulance services throughout the province. In 1981/82, it operated 336 ambulances, which responded to 226,034 calls, including hospital transfers. The commission also performed 4,050 air evacuations.

Forensic Psychiatric Services Commission

The Forensic Psychiatric Services Commission provides consulting and assessment services to the courts, and treatment to mentally disordered persons referred by court order. The commission operates the Forensic Psychiatric Institute at Essondale, clinics in Vancouver and Victoria and travelling clinics throughout the province. Last year 1,276 assessments were performed.

Alcohol and Drug Programs

Alcohol and Drug Programs provide support to individuals who suffer from alcohol or drug dependency. To ensure effective province-wide support, where treatment services cannot be offered directly, the program provides support to community agencies and groups through consultative services, provision of audio-visual and print materials, workshops and training programs.

Education Programs

Under the *School Act* and other provincial legislation, the Ministry of Education provides overall management of the school system. Direct administration is provided by boards of trustees which are locally-elected in the province's 75 school districts. In the 1981/82 fiscal year, almost $1.5 billion was allocated to approximately 1,650 schools with more than 500,000 pupils.

Funding for independent schools is provided under the *School Support (Independent) Act*. In the 1981/82 fiscal year, $12.4 million was provided for 112 independent schools with approximately 20,000 pupils.

Universities, Colleges and Institutes

For the 1981/82 fiscal year, approximately $324 million was provided for the operation of three public universities, an increase of $54 million over the previous year, while $272 million was provided for the operation of 16 community colleges and 6 provincial institutes. More than 50,000 full- and part-time students are enrolled in the three universities and approximately 44,000 others are enrolled in continuing education programs at the colleges and institutes. The community colleges offer academic, career, technical and vocational training while the provincial institutes offer specialized types of career and technical training.

During the year, Douglas College was divided into two colleges, with the portion south of the Fraser River becoming Kwantlen College.

Universities Council of British Columbia

Under the *University Act*, the Universities Council of British Columbia is responsible for allocating general operating grants to provincial universities. The council also advises the government on a wide range of matters related to the universities, including operating and capital budget requests and curricula.

Administration of Colleges and Institutes

Under the *College and Institute Act*, the minister allocates funds to colleges and institutes through: the Academic Council; the Occupational Training Council; the Management Advisory Council; the Ministry Standing Committee; and the Ministry of Education. The colleges and institutes in turn provide funds for programs and specific support services. This decentralized structure allows a high degree of local decision-making.

Human Resources Programs

The Ministry of Human Resources delivers a wide range of social services and income security programs. These include income assistance, support for the handicapped and elderly, family and child welfare services.

Income Assistance

The Guaranteed Available Income for Need (GAIN) Program provides assistance to British Columbia residents between the ages of 19 and 64 who cannot provide the necessities of life for themselves and their dependents. In March 1982, income assistance was provided for 144,896 persons, including 69,649 dependents. The program also provides an assured minimum income for eligible handicapped persons and senior citizens. The total cost of GAIN programs in the 1981/82 fiscal year was $464.5 million, up $52.2 million or 12.7 per cent from the previous fiscal year. The programs include Basic Income Assistance, GAIN for handicapped, GAIN for seniors, Shelter Aid for Elderly Renters (SAFER), the renters' tax credit, bus passes and adult rehabilitation services. Basic Income Assistance accounted for $397 million of the total in 1981/82.

Renters' Assistance

The SAFER Program provides renters age 65 and over with monthly shelter aid payments equal to 75 per cent of the amount by which their rent, up to a maximum eligible amount, exceeds 30 per cent of income. Another rental assistance program is the renters' tax credit which applies to eligible renters 16 years of age and over, and is claimed through the renter's income tax return. The maximum grant is $150 less 1.5 per cent of taxable income. No credit can exceed 10 per cent of rent paid in the taxation year. In the 1981/82 fiscal year, $29 million was provided for renters' assistance programs; approximately 12,500 persons qualified for SAFER benefits and 221,600 persons received the renters' tax credit.

Pharmacare

The Pharmacare Program provides prescription drugs at no charge to senior citizens and income assistance recipients. The program also reimburses all British Columbia residents for 80 per cent of eligible pharmacare expenses exceeding $125 in a calendar year. Total expenditure for the program in 1981/82 was $69.6 million.

Family and Children's Services

The Ministry of Human Resources provides services for children and families including: adoption services; child protection services; foster care and related resources for foster children; and family support services such as homemakers and child care workers. In 1981/82 expenditure amounted to $101.9 million.

Rehabilitation and Support Services

The Ministry of Human Resources offers numerous rehabilitation and support services. These include: residential care; life skills training for the mentally handicapped; subsidized day care; and a range of job preparation programs for income assistance recipients. Under the community projects funding program, the ministry assists non-profit societies which provide social services in local communities.

In the 1981/82 fiscal year, grants of $6.9 million were provided to community projects and $17.1 million was allocated for the provision of residential care.

Services for Seniors

Many of the programs administered by the Ministry of Human Resources provide services for the approximately 10 per cent of the province's population who are senior citizens. Included are the GAIN Seniors Supplement, Pharmacare, SAFER, subsidized bus passes ($16 per year), day centres and counselling services. Total expenditure for services to seniors in 1981/82 amounted to $77.5 million, which includes $44.9 million under the Pharmacare Program.

Housing and Development

Through its regional offices in Burnaby, Victoria, Cranbrook, Prince George, Kamloops, Williams Lake, Fort St. John and Smithers, the Ministry of Lands, Parks and Housing encourages the development and servicing of Crown and private lands for residential and recreational uses. This development is undertaken either directly or through agreements with municipalities. The ministry also encourages the provision of subsidized housing through local non-profit societies for senior citizens and disabled persons.

Housing and development expenditure for the 1981/82 fiscal year totalled $40.4 million for housing construction grants, rent subsidies, headquarters and field operations, as well as the mobile home registry and University Endowment Lands operations. The Crown Land Fund provided a further $13 million for development financing. In addition, all of the approximately $32 million in federal housing funds allocated to the province were used.

Home Purchase Assistance

The ministry offers home purchase assistance grants and second mortgages on new and used homes. The ministry also offers financing for the conversion of large older homes in order to assist in the creation of additional housing units. The *Home Purchase Assistance Act* provides grants of either $1,000 or $2,500 for first-time home buyers, and second mortgages of up to $10,000 to purchasers of new or used homes. Under the Family First Home Grant Program, a family with at least one dependent child under age 19 may receive a grant of $2,500 to help in the purchase of a first new or used home. The grants and mortgages are available only for houses priced within prescribed limits, which are subject to periodic review. Approximately 11,000 grants totalling more than $18 million were paid during the year ended March 31, 1982. In addition, new mortgages totalling $9.3 million were issued.

Housing Initiative Program

The Housing Initiative Program made available $200 million during 1980 for first mortgage financing on qualifying rental housing projects and owner-occupied homes, at a preferred rate of 9 3/4 per cent. The program generated construction of 2,215 houses and 2,850 rental units with a total value of almost $275 million. At March 31, 1982, the balance outstanding under this program was $183.3 million.

Mobile Home Registry

The *Mobile Home Act* provides for a mobile home registry to protect mobile home owners and purchasers in the same way that the land registry protects buyers and sellers of conventional real estate. The registry maintains a record of ownership and location of all mobile homes situated on rented land. It also records all transactions, including such security instruments as chattel mortgages and conditional sale contracts, that affect the ownership interests in mobile homes. A registry search provides information important for the purchase or sale of a mobile home, thereby offering lenders better security and encouraging improved terms for mobile home purchasers.

At March 31, 1982, there were 52,980 mobile homes registered in British Columbia, an increase of 8.6 per cent over the previous year. Almost 19,000 ownership transfers were recorded, of which approximately 2,800 were sales of newly-manufactured units. Recorded ownership transfers and newly-manufactured unit sales were down from the previous year by 13.6 and 22.2 per cent respectively. Almost 15,000 security instruments were registered or discharged, and 21,600 searches, primarily for prospective purchasers and lending institutions, were conducted. In addition, approximately 8,300 transport permits authorizing movement of mobile homes were issued. Mobile homes now constitute approximately 10 per cent of the homes in British Columbia.

Rental Housing for Disabled Persons

Rent subsidies are offered for accommodation units housing physically and mentally handicapped persons, with the federal and provincial governments sharing equally the cost of the subsidies. The number of units eligible for subsidy is increasing. In 1981, in recognition of the International Year of Disabled Persons, the number of new subsidies was quadrupled to 200. At March 31, 1982, there were 199 disabled tenants in 45 group homes eligible for rent subsidies. Rent subsidies are also provided to residents of 136 specially-designed units in larger community housing projects and 439 units for disabled persons in senior citizen housing facilities.

Senior Citizens' Housing

At March 31, 1982, 32 approved projects for 1,218 units of specially-designed housing for senior citizens were either under construction or in the preliminary stages of development. The total capital cost of these facilities is estimated at $72 million, with provincial funding commitments for capital grants or purchases of sites amounting to $21.4 million. During the 1981/82 fiscal year, 11 projects containing 364 units were completed and 10 projects housing 405 units were approved. More than 19,000 units have been constructed under this program, most of which are managed by non-profit societies.

Land Tax Deferment Program

The Ministry of Finance administers the Land Tax Deferment Program, which enables elderly citizens, widows, widowers and certain handicapped persons to defer property taxes on their ordinary place of residence if they qualify under the provisions of the *Land Tax Deferment Act*. Interest is charged at eight per cent on deferred taxes. Applications must be filed with the collector in whose jurisdiction the property is located. In 1981 more than 2,091 persons benefitted from this program, compared to 1,158 in 1980.

Labour Programs

Apprenticeship Training Programs

The Apprenticeship Training Programs Branch of the Ministry of Labour supervises the work experience of apprentices, develops and assigns their technical training, and prepares and conducts examinations to certify the competence of apprentices and tradespeople. The branch also operates an extensive pre-apprentice training program and funds journeyman upgrading courses. At December 31, 1981, the branch listed 18,852 apprentices, up 15 per cent from the previous year, with 3,412 apprentices graduated and 3,286 journeymen certified.

Critical Skills Program

The Critical Skills Program was initiated in September 1980, as part of the Apprenticeship Training Program, to attract additional apprentices in seven trade areas. The program is intended to alleviate shortages of skilled tradespeople by offering wage subsidies to employers for the hiring of additional apprentices. The program encourages apprenticeships for machinists, electronic technicians, instrument mechanics, industrial electricians, millwrights, heavy-duty mechanics and diesel mechanics. To April 1982, the training of 1,105 apprentices in critical skill shortage areas had been initiated.

Employment Opportunity Programs

The Employment Opportunity Programs Branch administers on-the-job training programs under the *Apprenticeship Act* and encourages the development of skills that will assist individuals in entering the work force. Some programs emphasize the creation of permanent employment or training situations, and others encourage the training of individuals who face barriers in entering the labour force. In 1981, the branch shared the cost of wages with employers to provide 11,000 individuals with employment opportunities at a cost of $20.9 million.

Employment Standards

The Employment Standards Branch is responsible for administration of the *Employment Standards Act* and its regulations. The act sets standards for the minimum wage, payment of wages, maternity protection, vacation and general holiday entitlements, hours of work, employment of children, employment agencies, termination of employment, farm labour contracts and hiring practices. During 1981, branch offices made 47,627 calls in connection with enforcement of the legislation. This resulted in salary adjustments totalling $2.4 million being made to 2,958 employees by 2,795 employers. The branch also provides investigation and conciliation services to the Labour Relations Board.

Mediation Services

Settling labour disputes and providing preventive mediation assistance are the responsibilities of the Mediation Services Branch. During 1981, branch officers were involved in seeking solutions to 446 disputes.

Safety Services and Occupational Environment

The Ministry of Labour offers a number of services designed to provide a safe and healthy living and working environment for British Columbians. The Safety Engineering Services Division undertakes standards development, education, and regulatory activities for a variety of specialized devices, while the Occupational Environment Branch inspects environmental conditions in factories, stores and offices. In 1981 the Safety Engineering Services Division conducted 159,150 inspections and issued 103,296 permits, the Elevating Devices Branch conducted 6,970 inspections, and the Occupational Environment Branch conducted 12,283 inspections and re-inspections, issued 701 plan approvals for factories and investigated 485 complaints.

Human Rights

The Human Rights Branch of the Ministry of Labour is responsible for enforcing the British Columbia *Human Rights Code*, which is the anti-discrimination legislation of the province. Although the branch attempts to resolve problems of discrimination in all areas, most complaints concern employment. In 1981, more than 880 complaints were handled and more than 9,000 inquiries were received, including a significant number from employers seeking information and advice about provisions of the code.

The Human Rights Commission was established to promote the principles of the code, to research areas not currently covered, and to develop and encourage educational programs in the area of human rights.

Refugee Settlement

The Refugee Settlement Program was established subsequent to the 1979 *Refugee Settlement Act*. Although initiated in response to the influx of refugees from Vietnam, Cambodia and Laos, the act deals with the resettlement of refugees in general and is designed to assist in their adapting to living and working conditions in British Columbia.

Administration of Justice

The Ministry of Attorney General is responsible for the administration of justice in British Columbia through the corrections, police and court systems. The ministry also provides legal advice to government on matters of criminal, civil, constitutional and administrative law, and drafts proposed regulations and legislation. In addition, the Law Reform Commission continually reviews provincial laws and makes recommendations to the Attorney General.

Protection

The Police Services Branch of the ministry is responsible for providing services to help protect life and property in the province, as well as to reduce crime. Under a federal-provincial agreement, the Royal Canadian Mounted Police serves as the provincial police force in British Columbia and provides local policing in most municipalities. In addition, there are 12 municipal police forces in the province which are under the general supervision of the British Columbia Police Commission.

The Coordinated Law Enforcement Unit coordinates the activities of police and other agencies to suppress organized crime. The unit concentrates its efforts on high profit crimes such as drug trafficking, gambling, loan sharking and fraud.

CounterAttack

The Ministry of Attorney General is responsible for the administration of CounterAttack, a program designed to prevent drinking driving. The program encourages changes in attitudes and behaviour through enforcement of laws, education, community action, legislative reform and research programs.

Criminal Justice Division

The Criminal Justice Division of the ministry is responsible for the operation of Crown Counsel services for the prosecution of criminal cases and offences against provincial statutes and municipal bylaws in the trial and appellate courts of the province and in the Supreme Court of Canada. The branch advises police, Crown Counsel and government ministries on prosecutions and criminal law matters. The branch also is responsible for classifying motion pictures and licensing firearm vendors and owners.

Corrections

The Corrections Branch is responsible for family court counselling, correctional services, youth and adult probation and correctional facilities for certain accused or convicted juveniles and adults. The branch operates more than 85 offices throughout the province, providing probation and family court counselling to more than 12,000 persons and 6,000 families annually. Six adult and two juvenile secure custodial facilities are maintained for persons remanded in custody to await trial and for those convicted and given sentences of up to two years. in addition there are 14 open or minimum security facilities, including some farm and forest camps. These open facilities allow sentenced offenders to participate in useful work such as forestry, fisheries, farming and animal husbandry. The branch also provides eight community-based facilities with supervised accommodation for offenders nearing completion of their sentences. These community correctional centres facilitate offenders' re-entry into the community.

Court Services

The Court Services Division of the Ministry of Attorney General is responsible for the design, construction, maintenance and administration of all provincially constituted courts. The division is also responsible for court support staff, including court reporters and recorders and sheriffs. The division administers the courts through 81 court registries, which answer inquiries from the public, prepare court files, provide clerical staff and provide Justices of the Peace for procedural matters. Sheriffs' duties include responsibility for court security, the seizure of goods and jury administration.

Legal Aid

The Ministry of Attorney General provides legal aid and public legal education, largely through the Legal Services Society. This society offers legal assistance to individuals who would otherwise be unable to obtain legal counsel, and funds public legal education and information services.

Environmental Protection Programs

The Ministry of Environment is responsible for several acts which protect the British Columbia environment. These acts operate within the overall framework of the *Environment Management Act*. The *Waste Management Act* and new *Wildlife Act*, both passed in 1982, will also operate under the *Environment Management Act* and will institute major changes in the policy and organization of the Ministry of Environment. In addition, there are significant environmental protection measures in other provincial legislation.

The Cabinet Committee on Environment and Land Use comprises the Minister of Environment as chairman and eight other ministers with portfolio responsibilities for resource use, conservation and major public facilities. The committee coordinates the environmental and resource planning activities of government. The Ministry of Environment conducts research and environmental inventory and activities, and performs licensing functions to achieve environmental protection objectives. The ministry also ensures that other government activities take into account environmental considerations such as aquatic, terrestrial flood-plain, coastal and estuary management.

Waste Management

The Ministry of Environment establishes pollution discharge standards for municipalities and industries. These standards are set in discharge licences, which are required to authorize the release of any effluent into the environment. Financial incentives are used to encourage compliance with the standards. Local governments receive financial assistance for sewage disposal through the Ministry of Municipal Affairs.

The environmental laboratory in Vancouver performs tests for government ministries to detect environmental contaminants in: water; waste and waste water; smoke stack emissions; vegetation; and air and soil samples. In addition, the laboratory provides services to the public, including the Water Quality Check Program to test samples of both public and private potable water systems.

The Waste Management Branch administers several programs which encourage environmentally safe waste treatment and resource recovery. A program of irrigation with sewage is currently being operated in several Interior locations. There are also paper, rubber and oil waste recovery and recycling programs operating.

Ecological Protection

The Ministry of Lands, Parks and Housing administers the *Ecological Reserve Act*. A total of 111 ecological reserves covering 135,592 hectares (about one-third subtidal) have been established under the act. Reserves are selected to preserve at least three examples of each natural ecosystem in British Columbia. The reserves are intended primarily to provide research and education opportunities. An advisory committee representing the provincial government, universities and industry oversees the administration of the act.

Conservation Projects

The Public Conservation Assistance Fund annually offers a total of $50,000 to non-profit clubs and organizations to defray the capital costs of conservation projects. Funded projects have included stream and lake cleanup; lake improvement and aeration; fish tagging and egg incubation; salmon fry feeding; fish ladder, spawning channel and waterfowl nesting float construction; upland bird winter feeding; and big game winter range improvement.

Pesticide Control

The Pesticide Control Branch is responsible for regulating the sale and use of all pesticides in the province. The branch trains personnel in handling and application techniques and also investigates reports of misuse of pesticides.

Provincial Emergency Program

The Provincial Emergency Program, with six regional offices throughout the province, is designed to ensure that all areas in British Columbia are prepared for any type of emergency. Program officials provide equipment and conduct training courses for municipal and volunteer personnel. They also oversee a nucleus of 15,000 people trained to respond effectively in such areas as search and rescue, oil and hazardous materials spills, emergency health and welfare, first aid and outdoor survival.

Flood Relief

In the 1981/82 fiscal year, the Ministry of Environment provided flood relief payments of $19 million to more than 5,000 flood victims in several regions of the province.

Consumer and Corporate Affairs

The Ministry of Consumer and Corporate Affairs administers 55 statutes and related regulations designed to prevent abuses in the marketplace.

Consumer Affairs

The ministry is responsible for consumer and business education, licensing of certain businesses, complaint mediation and the enforcement of statutes, including the *Consumer Protection Act* and the *Trade Practice Act*. In addition, the ministry offers counselling services to consumers with debt problems and assistance to borrowers and lenders in the administration of debt repayment schedules. Consumer services are provided by telephone and mail and through storefront offices in Vancouver, Victoria, Prince George and Kamloops. These offices also serve as resource centres for consumer information. To supplement the ministry's activities, particularly in regions distant from the four storefront offices, grants are provided to community groups offering consumer services and education.

Office of the Rentalsman

The Office of the Rentalsman administers the *Residential Tenancy Act*, which governs the conduct of landlords and tenants renting residential property. The branch provides mediation and adjudication services on all matters pertaining to the act, including rent review, termination, possession and security deposits. The branch also has the authority to direct that rent receipts be allocated to repairs or the provision of essential services.

Liquor Licensing

The Liquor Control and Licensing Branch is responsible for licensing establishments that resell liquor purchased from the government, and for supervising all licensees to ensure that they operate in compliance with the pertinent statutes and regulations. The branch also licenses provincial manufacturers of beverage alcohol. (For information on the Liquor Distribution Branch, *see* Chapter 4).

Corporate Affairs

The ministry regulates the instruments and documents used to conduct business in British Columbia and also administers a wide variety of corporate statutes. The Office of the Superintendent of Brokers, Insurance and Real Estate regulates the securities, mortgage broker, insurance and real estate industries; the Office of the Registrar of Companies maintains statutory files on all companies, co-operatives, partnerships and societies operating in the province; the Central Registry is responsible for registering mechanics' liens against motor vehicles, personal chattels and chattel mortgages; and the Office of the Superintendent of Credit Unions, Co-operatives and Trust Companies regulates and examines the finances of credit unions, registers co-operatives, and regulates and inspects all trust companies operating in the province.

Recreation and Sport

In the 1981/82 fiscal year, the Recreation and Sport Branch of the Ministry of Provincial Secretary and Government Services provided grants totalling $12 million to aid the development of sport, recreation and fitness programs. An estimated 1.5 million British Columbians participated in the programs. Of the $12 million, $5.6 million was distributed to numerous sport and recreation organizations and to 815 recipients of athletic scholarships. The remaining $6.4 million was contributed, under the terms of the *Recreation Facility Act*, toward the construction of 92 jointly-financed community recreation facilities valued at $19.2 million. Financial assistance also was provided for 48 community recreation staff positions under the Grants-in-Aid Program, and 254 communities received administrative grants of $500 each.

Cultural Services

The Cultural Services Branch of the Ministry of Provincial Secretary and Government Services provides programs and services to encourage the creation, performance and appreciation of the arts in British Columbia. The branch administers the British Columbia Cultural Fund which provides annual assistance to provincial arts organizations. The fund, established as a perpetual endowment fund in 1967, has a capital balance of $20 million, from which the annual interest is used for grant purposes. Since 1975, the interest has been augmented with revenue transferred from the Lottery Fund.

In 1981 grants totalling $6.7 million were provided to major professional arts institutions and organizations in the fields of music, dance, theatre, crafts and visual and literary arts. This is an increase of $2 million over 1980. The total allocation comprised $5.3 million from the British Columbia Cultural Fund

($1.6 million from interest income augmented by $3.7 million from the British Columbia Lottery Fund) and $1.3 million appropriated from the Lottery Fund for specific projects. Provincial and national organizations also received direct assistance from the Lottery Fund. In 1981 funds totalling $1 million were available for the first time for museum institutions throughout the province.

During 1981, $740,000 was provided to support the activities of 78 community arts councils which are responsible for the encouragement of local and amateur arts activities in their communities. In addition, scholarships totalling $200,000 assisted young British Columbia students in such disciplines as music, dance, drama, visual arts, arts administration, crafts and creative writing. Ministry staff travelled to more than 30 communities in 1981 to provide consultation on branch programs and to conduct specialized workshops at provincial and regional conferences.

Provincial Parks

Under the *Park Act*, the Ministry of Lands, Parks and Housing administers a provincial park system comprising 369 parks which encompass more than 4.5 million hectares. These parks range in size from one to one million hectares and offer a wide range of facilities, including campsites, backcountry areas, marine sites, historical townsites, downhill and cross-country ski areas, a lodge facility and numerous day parks.

In 1981 more than 16 million visits by British Columbia residents and visitors were recorded. There were 13 new parks created during the year. In addition, the Parks and Outdoor Recreation Division spent more than $730,000 in 1981 for the acquisition and development of regional parks and $86,000 for the promotion of outdoor recreation, education, safety and awareness.

Library Services

In the 1981/82 fiscal year, the Library Services Branch of the Ministry of Provincial Secretary and Government Services provided grants totalling $5.5 million, an increase of $2 million over the previous year, to municipal and regional public libraries, public library associations and reading centres. The grants were made to 80 local library boards and committees, primarily for the purchase of books.

British Columbia Heritage Trust

The British Columbia Heritage Trust was established in 1977 by the *Heritage Conservation Act* and was initially endowed with $1 million. The trust fund is used to conserve, maintain and restore heritage property in the province. In the 1981/82 fiscal year, 78 grants valued at $1 million were awarded.

Ombudsman

The *Ombudsman Act*, passed in 1977, establishes the position of Ombudsman as an independent officer to investigate complaints against provincial government ministries and affiliated agencies, boards, tribunals and Crown corporations. The Ombudsman attempts to assist in the resolution of complaints received from individuals, groups or corporations. In addition, recommendations are made for changes to policies or procedures which are unfair or oppressive. Complaints are received from throughout the province at offices in Victoria and Vancouver.

6. Industrial Development

Geography

The province of British Columbia is located on the Pacific coast and has a land and freshwater area of 95 million hectares. It is the third largest Canadian province, comprising 9.5 per cent of Canada's total surface area. The province's coastline measures 7,022 kilometres, supporting a large international and coastal shipping industry through ice-free, deep-water ports.

British Columbia's total area contains approximately 54 million hectares of forest, 2.7 million hectares of arable or potentially arable land, 6.6 million hectares of land that can be used for grazing, and 3.6 million hectares of lakes and rivers.

Industrial Structure

British Columbia is endowed with an abundance of diverse natural resources, including forests, minerals, petroleum and natural gas, hydroelectricity, agricultural land, fisheries and scenic attractions. As a result, economic activity in the province has been based in large measure on the development of these resources. While service industries comprise 60 per cent of gross domestic product in British Columbia, much of the provincial economy depends on goods-producing industries.

The contribution of goods-producing industries has grown in the last decade from 37.3 per cent of gross domestic product in 1970 to 40.6 per cent in 1980 (*see* Table 17). Increased resource prices are responsible for much of this change. Prices in the goods-producing industries increased at an annual average rate of 10.9 per cent between 1970 and 1980, while service industry prices rose by only 8.2 per cent. At constant 1971 price levels, the contribution of goods-producing industries declined from 37.0 per cent in 1970 to 34.7 per cent in 1980. This movement illustrates the growing importance of the service sector to real economic activity in British Columbia. Nevertheless, the goods-producing sector remains a dominant source of income growth in British Columbia.

The primary (extractive) industries provided almost 25 per cent of the value added in goods production in 1980, and combined with related resource processing industries comprised over 60 per cent (*see* Chart 9). Forestry, including processing activities, forms the largest component (32.9 per cent) of the value added in goods production, followed by mining (18.2 per cent) and agriculture and fishing (10.6 per cent). Among the non-resource industries, construction activities provided 19.2 per cent of the value added in goods production, with utilities adding 7.6 per cent and other manufacturing activities, such as the production of machinery and textiles, contributing 11.5 per cent.

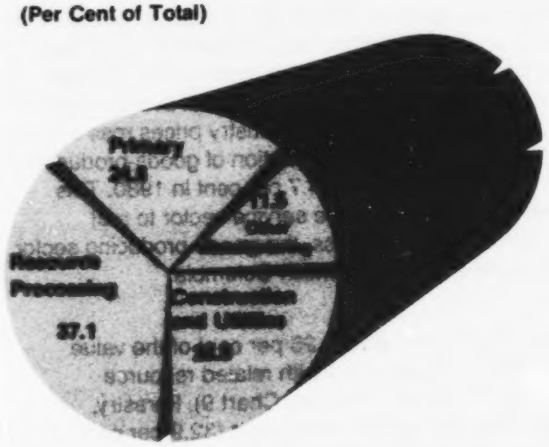
Table 17
Gross Domestic Product (at factor cost)[1]

Sector	1970	Per Cent of Total	1980	Per Cent of Total
	($ millions)		($ millions)	
Agriculture	140	1.7	494	1.5
Forestry	237	2.9	1,088	3.3
Fishing and trapping	36	0.4	143	0.4
Mining	274	3.3	1,563	4.8
Manufacturing	1,546	18.9	6,430	19.7
Construction	551	6.7	2,535	7.8
Utilities	280	3.4	1,006	3.1
Total goods	3,064	37.3	13,259	40.6
Transportation, communication and storage	917	11.2	3,223	9.9
Wholesale and retail trade	1,111	13.6	3,884	11.9
Finance, insurance and real estate	960	11.7	3,390	10.4
Community, business and personal services	1,556	19.0	6,798	20.8
Public administration and defence	582	7.1	2,122	6.5
Total services	5,126	62.6	19,417	59.5
Total gross domestic product	8,190	100.0	32,676	100.0

Source: British Columbia Economic Accounts, 1961–1980.
Note: Experimental data.

[1] GDP at factor cost is less than GDP at market prices by the amount of indirect taxes less subsidies.

Chart 9 Value Added by Goods-Producing Industries, 1980



Value added by goods-producing industries reached $13.3 billion, at factor cost, in 1980. Primary industries and related processing contributed 61.7 per cent to this total.

Source: British Columbia Economic Accounts, 1961-1980
Note: Experimental data

Community, business, and personal services are the largest component of service industry output. In 1980, this sector contributed 35 per cent of the value added in service-producing industries, a substantial increase from the 18.7 per cent provided in 1970. This dramatic growth reflects the increased amenities and services available to British Columbians. Wholesale and retail trade were also large contributors to 1980 service sector output, adding $3.9 billion or 20 per cent of service industry value added.

British Columbia's employment characteristics reflect the contributions of various sectors to the gross domestic product. Service industries accounted for 72.0 per cent of total provincial employment in 1980, while goods-producing industries provided the remaining 28.0 per cent. Among service-producing industries, the primary employer was community, business and personal services, at 30.7 per cent of total provincial employment, while trade was the next largest, employing 18.7 per cent. Manufacturing was the major employer among goods-producing industries, accounting for 14.7 per cent of total provincial employment, while construction and primary industries each employed 6.6 per cent.

Forest Products Industry

British Columbia forests cover about 57 per cent of the provincial land area and support more than eight billion cubic metres of mature timber. As more than 97 per cent of this volume is coniferous (softwood), British Columbia accounts for approximately one-half of the Canadian softwood inventory. Forests of the coastal region contain more hemlock than any other species, while spruce is the principal species of the interior region.

The provincial government owns 94 per cent of the province's forest resource and manages this entire portion, through the major management unit of the timber supply area (TSA), for sustained yield. Management responsibility for portions of TSAs is delegated to private companies by contractual agreements known as tree-farm licences (TFLs).

The forest industry is the most important sector of the provincial economy. It directly employs about 10 per cent of the provincial labour force and accounts for approximately 50 per cent of the value of shipments from British Columbia manufacturing industries and about 60 per cent of the province's exports. (*See* Table 18.)

Recognition of the importance of the forest sector to the provincial economy led to the enactment of new forest and range resource legislation, which was proclaimed in early 1979. In support of this legislation, the Ministry of Forests is required, each year, to submit a resource program to indicate how the province's forests and range should be maintained and enhanced. The third of these reports was submitted to the Legislative Assembly in the spring of 1982.

In 1981, the forest industry experienced a very difficult period due to the impact of high interest rates and poor markets. These conditions were offset somewhat by the low value of the Canadian dollar relative to that of the United States, which enhanced the competitiveness of Canadian industry, but many British Columbia forest companies nonetheless reported stagnant sales and net losses for 1981.

Trends in the British Columbia Forest Industry

Cyclical Movements

The forest sector in British Columbia, comprising logging, wood industries and paper and allied industries, has been characterized by pronounced swings in levels of activity, both for primary resource extraction and for resource processing. These cyclical movements are primarily attributable to the industry's reliance on exports, which tie its sales to volatile international commodities markets and general worldwide economic conditions. Because the forest sector is the most important of British Columbia's basic industries, the level of international economic activity greatly affects the health of the total provincial economy.

Lumber production and wood processing represent a large component of the forest industry in British Columbia, comprising almost one-half of total value added in the forest sector. Since 75 per cent of lumber output in the province is produced for foreign markets, the lumber industry is particularly vulnerable to the effects of export market fluctuations. As a result, although the volume of lumber produced in British Columbia has shown long-term growth, rising from 5.6 billion board feet in 1961 to 10.4 billion board feet in 1981, there have been significant cyclical variations about the secular trend.

The most important single factor determining the level of activity in British Columbia's lumber industry is the level of United States housing construction. In 1981, approximately 60 per cent of the province's lumber exports, by value, were to the United States, most of which was for residential housing. As a result, lumber production in the province has been greatly influenced by movements in the levels of United States housing starts.

Markets

This reliance on the United States housing industry has been slowly diminishing, as lumber exports to overseas markets have assumed an increasingly important role during the past two decades. Although the United States remains the province's major buyer, its share of British Columbia lumber exports has dropped from 71 per cent in 1961 to less than 60 per cent in 1981. During the same period, the Japanese share rose from less than one per cent to 19 per cent.

This market diversification has also been evident in the pulp industry. Since 1961, the share of British Columbia pulp exported to Japan has increased from 3 per cent, to 19 per cent in 1981, while the proportion of pulp exports to the United States has fallen from 58 per cent of the provincial total in 1961 to 25 per cent in 1981. In addition, the European community now purchases more British Columbia pulp than does the United States, a reversal of the 1961 situation.

Species

There also have been fundamental changes in the location and type of timber harvested in British Columbia in the past two decades. In 1960, approximately 60 per cent of the timber harvest was from the province's coastal regions. However, as development of rail facilities and other infrastructure made remote regions more accessible, there was rapid expansion of the industry into the provincial Interior. Although the coastal industry continued to grow, the interior industry expanded much faster. Hence, the interior harvest exceeded the coastal harvest by 1972 and represented 58.9 of the total cut by 1980.

This expansion of the forest industry into the province's interior regions also had an impact on the pattern of species cut in the province. Historically, Douglas fir dominated the coastal harvest because it was the preferred species for lumber production. As a result, it was the largest contributor to the provincial harvest in 1960, accounting for 32.4 per cent of the provincial total. However, as accessible stands of Douglas fir were depleted, industry adapted to other species and the proportion of the provincial harvest provided by Douglas fir declined to only 11.6 per cent in 1980. A similar process has occurred in the interior: as the most accessible stands of spruce were logged, the lodgepole pine harvest became more significant. Consequently, the lodgepole pine harvest has increased dramatically, providing 19.2 per cent of the total provincial harvest in 1980, up from 7.9 per cent in 1960.

Spruce nonetheless remains the principal species of the provincial harvest, providing 21.3 per cent of the total cut in 1980. Hemlock and lodgepole pine are also significant contributors, providing 19.8 per cent and 19.2 per cent respectively. Balsam, Douglas fir and cedar provide 36.3 per cent of the total harvest.

Table 18
Economic Indicators of Activity in the Forest Sector

Indicator	1971	1976	1980	1981	Change 1980–1981
			(millions of m³)		(per cent)
1 Timber scaled	56.5	69.5	74.7	61.8	−17.3
2 Lumber production	21.1	25.4	28.3	24.6	−13.0
3 Plywood production	1.7	1.9	1.9	1.7	−11.2
			(millions of tonnes)		
4 Pulp production	4.3	5.3	5.7	4.8	−15.8
5 Paper and paperboard production	1.7	2.0	2.2	1.9	−13.6
Exports of Forest Products to Major Countries			($ millions)		
6 United States	884.2	1,787.9	2,569.3	2,282.6	−11.2
7 Japan	107.2	333.2	1,017.6	799.8	−21.4
8 United Kingdom	115.7	264.1	393.8	331.8	−15.7
9 Other	268.8	806.1	1,677.8	1,435.6	−14.3
10 Total	1,375.9	3,191.3	5,658.5	4,849.8	−14.3
Industry Selling Price Indices[1]					
11 Spruce lumber for export	100.0	150.2	207.8	184.6	−11.2
12 Douglas fir plywood	100.0	173.8	240.3	271.0	12.8
13 Bleached sulphate pulp for export	100.0	233.2	348.3	367.1	5.4
14 Newsprint for export	100.0	180.3	288.5	332.2	15.1

[1] 1971 = 100.

Sources: 1 Ministry of Forests.
2–5 and 11–14 Statistics Canada.
6–10 Ministry of Industry and Small Business Development, estimated from Statistics Canada data.

In 1981, the British Columbia timber harvest was 61.8 million cubic metres, down approximately 17 per cent from the harvest in the previous year. Detailed statistics pertaining to the forest industry are in Appendix 6: Tables 6.1 and 6.2. For a description of trends in the forest industry, *see* the special topic box on the adjacent page.

Lumber

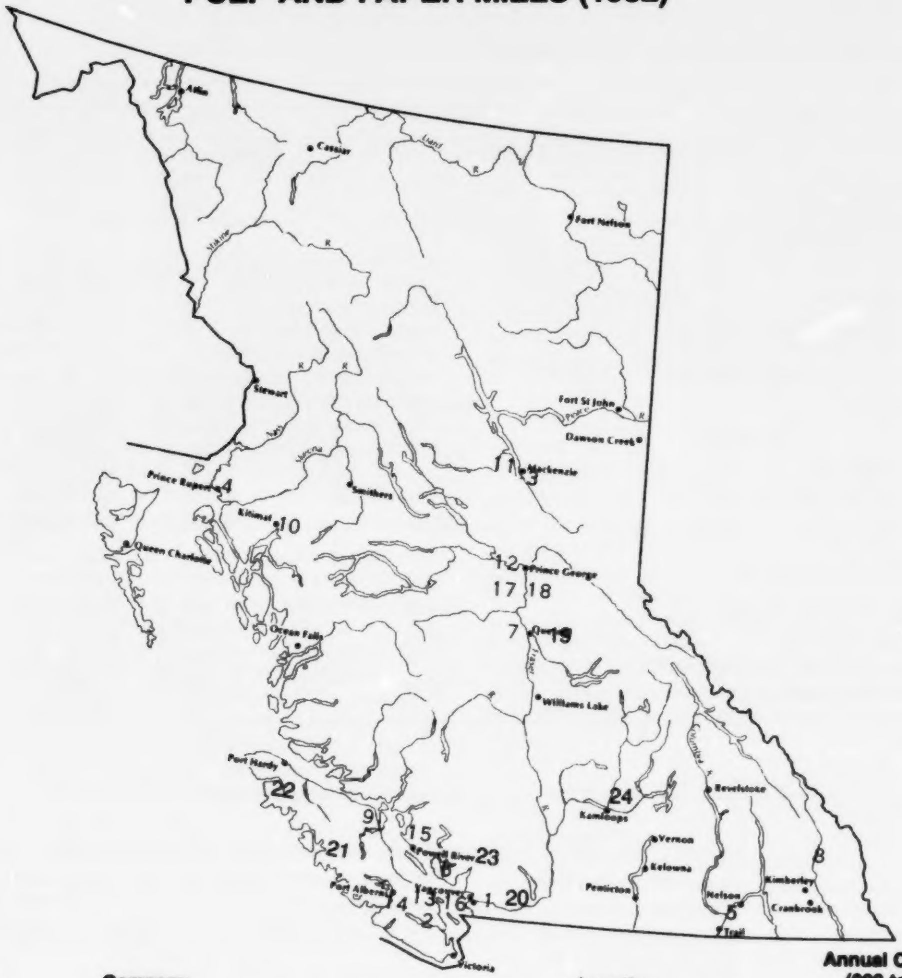
As a result of a pronounced weakening in the North American economy, both prices and output in the British Columbia lumber industry declined, with lumber production falling by approximately 13 per cent to 24.6 million cubic metres. This drop was attributable to two main factors: a six-week work stoppage in the forest industry during the summer of 1981 and the continuing decline in the United States market, which is the primary consumer of British Columbia lumber. The volume of lumber shipments to the United States fell by more than 15 per cent, in response to a decline in housing starts for the third consecutive year. (*See* Chart 10.) British Columbia lumber shipments to offshore markets also declined as the effects of high interest rates and slow growth in the United States spread to Europe and Japan.

Plywood

Although the plywood market was strong during the early part of 1981, it later weakened significantly as continuing high interest rates curtailed Canadian building activity. As a result, British Columbia plywood production, which is highly dependent on the domestic market, declined by 11 per cent to 1.7 million cubic metres in 1981.

MAP 1

PULP AND PAPER MILLS (1982)

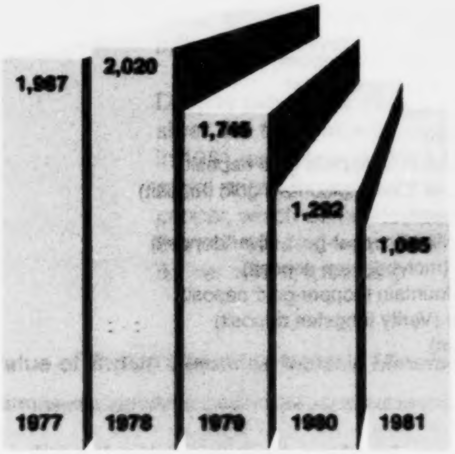

Atlin
Cassiar
Liard R
Fort Nelson
Stikine R
Stewart
Nass
Skeena
Fort St John
Peace R
Dawson Creek
Prince Rupert
4
Smithers
11
Mackenzie
3
Kitimat
10
Queen Charlotte
12
Prince George
17
18
7
Quesnel
19
Ocean Falls
Fraser
Williams Lake
Port Hardy
22
9
15
21
Powell River
23
6
Port Alberni
14
13
Vancouver
16
1
20
2
Victoria
24
Kamloops
Revelstoke
Columbia R
Vernon
Kelowna
Penticton
Nelson
5
Trail
Kimberley
Cranbrook
8

Map Ref. No.	Company	Location	Annual Capacity* (000 tonnes) Pulp	Paper
1	Belkin Packaging Ltd.	Burnaby	—	150
2	British Columbia Forest Products Ltd.	Crofton	554	276
3	British Columbia Forest Products Ltd.	Mackenzie	200	—
4	B.C. Timber Ltd.	Prince Rupert	369	—
5	B.C. Timber Ltd.	Castlegar	176	—
6	Canadian Forest Products Ltd.	Port Mellon	172	—
7	Cariboo Pulp and Paper Ltd.	Quesnel	240	—
8	Crestbrook Forest Industries Ltd.	Skookumchuck	150	—
9	Crown Zellerbach Canada Ltd.	Duncan Bay	770	510
10	Eurocan Pulp and Paper Co. Ltd.	Kitimat	300	300
11	Finlay Forest Industries Ltd.	Mackenzie	178	—
12	Intercontinental Pulp Co. Ltd.	Prince George	219	—
13	MacMillan Bloedel Ltd.	Harmac	340	—
14	MacMillan Bloedel Ltd.	Port Alberni	436	380
15	MacMillan Bloedel Ltd.	Powell River	694	670
16	MacMillan Bloedel Ltd.	Annacis Island	—	38
17	Northwood Pulp and Timber Ltd.	Prince George	234	—
18	Prince George Pulp and Paper Ltd.	Prince George	233	99
19	Quesnel River Pulp Co. Ltd.	Quesnel	155	—
20	Scott Paper Ltd.	New Westminster	26	51
21	Tahsis Co. Ltd.	Gold River	230	—
22	Western Forest Products Ltd.	Port Alice	155	—
23	Western Forest Products Ltd.	Squamish	160	—
24	Weyerhaeuser Canada Ltd.	Kamloops	400	—
			6 391	2 474

* As at May 1982.

Chart 10 **United States Housing Starts**

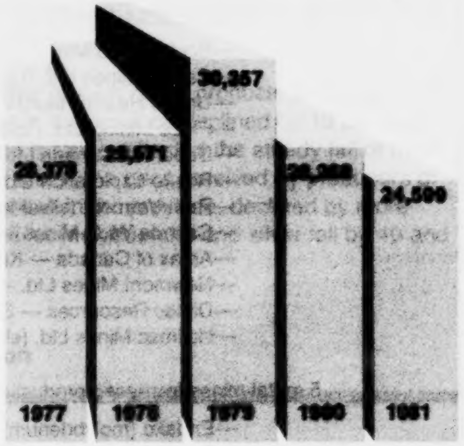
(thousands of starts)



A 16 per cent drop in United States housing starts in 1981 . . .

British Columbia Lumber Production

(thousands of cubic metres)



. . . contributed to a 13 per cent decline in British Columbia lumber production.

Pulp and Paper

Markets for British Columbia pulp and paper products also remained firm throughout the first half of 1981, but weakened noticeably in the latter half of the year. Production and shipments of pulp and paper products by British Columbia mills declined by about 15 per cent, reflecting both the work stoppage in the summer of 1981 and weakening markets. Softening demand for market pulp also resulted in the rolling back of announced price increases in both Europe and North America, although the newsprint market remained relatively stronger and producers were able to increase their selling price during the year. On the whole, however, reduced world demand and growing inventories continued into 1982 and led to short-term production curtailments by many British Columbia pulp and paper mills early in the year. For information pertaining to British Columbia's pulp and paper mills, *see* Map 1.

New Developments

Difficult short-term prospects for the industry have led many British Columbia forest companies to defer planned investment expenditure. Announced capital and repair expenditure in the industry for 1982 amounted to $1.3 billion, down from the $1.7 billion spent in 1981. New pulp and newsprint capacity was added in 1981 by Quesnel River Pulp Co. and MacMillan Bloedel Ltd. Additional pulp and newsprint capacity will be added in 1982 by B.C. Forest Products Ltd., Crown Zellerbach Canada Ltd., and Northwood Pulp and Timber Ltd.

Mineral and Coal Developments, 1981

12 mines commenced production during the year:

—Scottie Gold Mines Ltd. (Morris Summit gold deposit)
—Carolin Mines Ltd. (Ladner Creek, Idaho gold zone)
—United Hearne/Taurus (Hanna gold vein)
—Plaza Mining Ltd. (Vollaug gold vein)
—Dupont of Canada Ltd. — Baker Mine (Chappelle gold deposit)
—Reako Exploration Ltd. — Free Gold (Dome Mountain gold deposit)
—Ruth Vermont (silver-lead-zinc deposit)
—Canada Wide Mines — Granduc Mine (copper-gold-silver deposit)
—Amax of Canada — Kitsault Mine (molybdenum deposit)
—Newmont Mines Ltd. — Copper Mountain (copper-gold deposit)
—Dimac Resources — Silence Lake (Verity tungsten deposit)
—Hallmac Mines Ltd. (silver-lead vein)

5 metal mines increased production capacity:

—Endako (molybdenum)
—Boss Mountain (molybdenum)
—Lornex (copper-molybdenum)
—Equity/Sam Goosly (silver-copper-antimony-gold)
—Erickson/Nu-Energy (gold)

6 properties were under development:

—Crowsnest Resources Ltd. — Line Creek coal deposit
—B.C. Coal Ltd. — Greenhills coal deposit
—Teck Corporation — Bullmoose coal deposit
—Denison Mines Ltd. — Quintette coal deposit
—Westmin Resources — H-W copper-lead-zinc-gold-silver deposit
—Noranda Mines Ltd. — Goldstream copper-zinc-silver deposit

10 properties were at an advanced exploration or feasibility stage:

—Bralorne gold mine
—Consolidated Cinola — Babe gold deposit
—Blackdome gold-silver deposit
—Cusac/Table Mountain gold deposit
—Poison Mountain copper-molybdenum-gold deposit
—Virginia Silver silver-lead-zinc deposit
—Eaglet fluorspar deposit
—Trout Lake molybdenum deposit
—Schaft Creek copper-molybdenum-silver-gold deposit
—Kutcho Creek copper-silver-zinc deposit

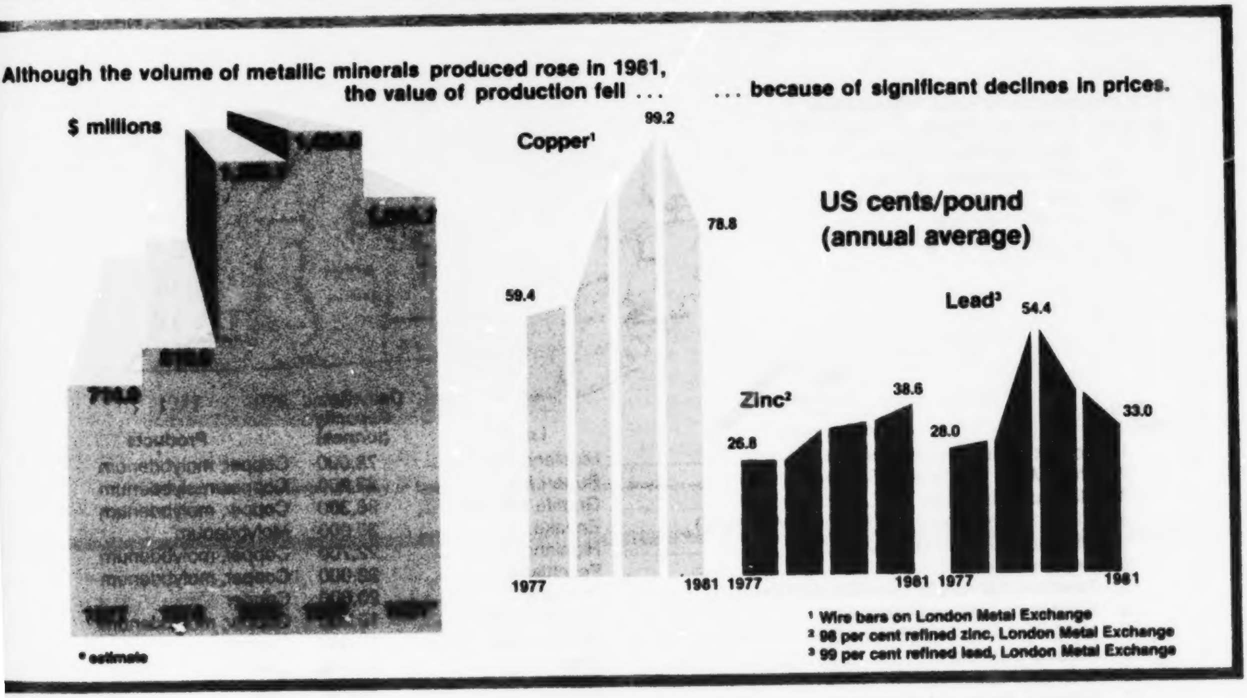
Minerals

The total value of metal, mineral, coal, petroleum and natural gas production in 1981 was $3.0 billion, down slightly from the 1980 level of $3.1 billion. Metallic minerals and structural materials experienced a decline in the value of production, whereas the value for all other categories rose. Metallic minerals accounted for $1.25 billion (42 per cent) of the total value of production; petroleum and natural gas, $888 million (30 per cent); coal, $554 million (18 per cent); structural materials, $201 million (7 per cent); and industrial minerals, $122 million (4 per cent). (*See* Appendix 6: Table 6.3.)

Metals

Despite substantial increases in the output of such major products as copper and silver, the total value of metals produced in the province declined by 13 per cent in 1981, as shown in Chart 11. This drop in value reflected the steady fall of most metal prices throughout the year. In particular, the price received by producers of copper, which dominates mineral production in the province, declined by more than 17 per cent from 1980, while prices for molybdenum and silver fell by 40 and 51 per cent respectively.

Chart 11 Value of British Columbia Metallic Mineral Production



* estimate

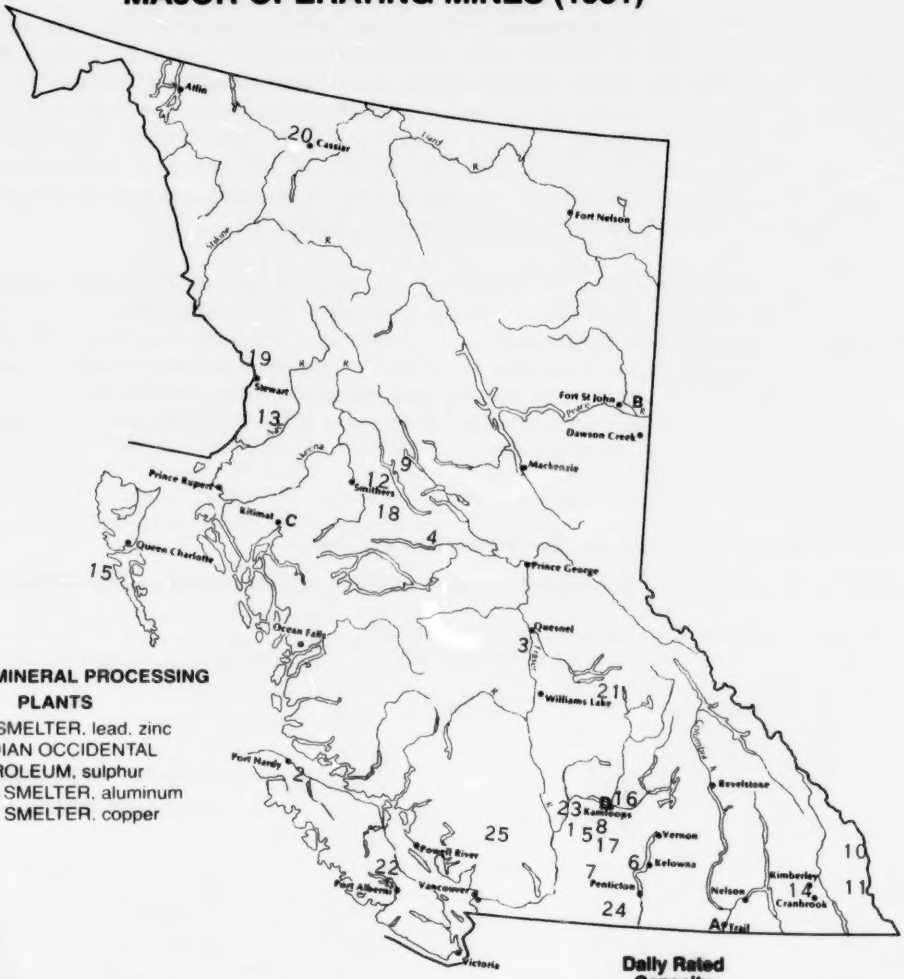
¹ Wire bars on London Metal Exchange
² 98 per cent refined zinc, London Metal Exchange
³ 99 per cent refined lead, London Metal Exchange

Mineral Exploration and Development

Expenditure for metallic mineral exploration and development increased to $553 million in 1981 from the 1980 level of $520 million. Mineral claim staking also remained at a high level, with 71,666 units recorded, down only marginally from the 1980 level. Major mineral developments in the province are summarized in the box on the adjacent page and the locations of major mines and primary mineral processing plants are indicated on Map 2.

MAP 2

MAJOR OPERATING MINES (1981)


Atlin
20 Cassiar
Liard R
Fort Nelson
Stikine R
19
Stewart
13
Fort St John B
Peace R
Dawson Creek
Mackenzie
Skeena
Prince Rupert
12 Smithers
9
18
Kitimat C
4
Queen Charlotte
15
Prince George
Ocean Falls
Quesnel
3
Fraser
21
Williams Lake
Columbia R
Port Hardy
2
Revelstoke
23 D 16 Kamloops
25
15 8 17
Vernon
6 Kelowna
Powell River
22
Port Alberni
Vancouver
7 Penticton
24
10
Kimberley
Nelson
14 Cranbrook
11
A Trail
Victoria

PRIMARY MINERAL PROCESSING PLANTS

A TRAIL SMELTER, lead, zinc
B CANADIAN OCCIDENTAL PETROLEUM, sulphur
C ALCAN SMELTER, aluminum
D AFTON SMELTER, copper

Map Ref. No.	Company	Location	Daily Rated Capacity (tonnes)	Products
1	Lornex Mining Corporation Ltd.	Highland Valley	78,000	Copper, molybdenum
2	Utah Mines Ltd. (Island Copper)	Rupert Inlet	37,200	Copper, molybdenum
3	Gibraltar Mines Ltd.	Granite Mountain	36,300	Copper, molybdenum
4	Placer Development Ltd. (Endako Mines Div.)	Endako	30,000	Molybdenum
5	Highmont Operating Corporation	Highland Valley	22,700	Copper, molybdenum
6	Brenda Mines Ltd.	Peachland	22,000	Copper, molybdenum
7	Newmont Mines Ltd. (Similkameen Div.)	Princeton	20,000	Copper
8	Bethlehem Copper Corporation	Highland Valley	19,000	Copper, molybdenum
9	Noranda Mines Ltd. (Babine Div.—Bell Mine)	Babine Lake	17,000	Copper
10	Fording Coal Ltd.	Natal	16,300	Coal
11	B.C. Coal Ltd.	Fernie	15,500	Coal
12	Noranda Mines Ltd. (Babine Div.—Granisle Mine)	Babine Lake	11,800	Copper, molybdenum
13	Amax of Canada Ltd. (Kitsault)	Alice Arm	10,900	Molybdenum
14	Cominco Ltd. (Sullivan)	Kimberley	9,100	Silver, lead, zinc, iron
15	Falconbridge Nickel Mines Ltd. (Wesfrob Mining Div.)	Tasu	6,500	Iron, copper
16	Afton Mines Ltd.	Kamloops	6,350	Copper, gold, silver
17	Craigmont Mines Ltd.	Merritt	5,262	Copper, iron
18	Equity Silver Mines Ltd. (Sam Goosly)	Houston	4,500	Copper, gold, silver, antimony
19	Canada Wide Mines Ltd. (Granduc)	Stewart	4,000	Copper
20	Cassiar Asbestos Corp. Ltd.	Cassiar	3,629	Asbestos
21	Noranda Mines Ltd. (Boss Mountain Div.)	Boss Mountain	1,820	Molybdenum
22	Western Mines Ltd.	Buttle Lake	907	Copper, zinc, lead, silver
23	Dekalb Mining Corporation (Highland Valley Mine)	Highland Valley	635	Copper, gold, silver
24	Dankoe Mines Ltd.	Keremeos	450	Silver, gold, copper
25	Northair Mines Ltd. (Warman)	Brandywine Falls	270	Gold, silver, lead, zinc

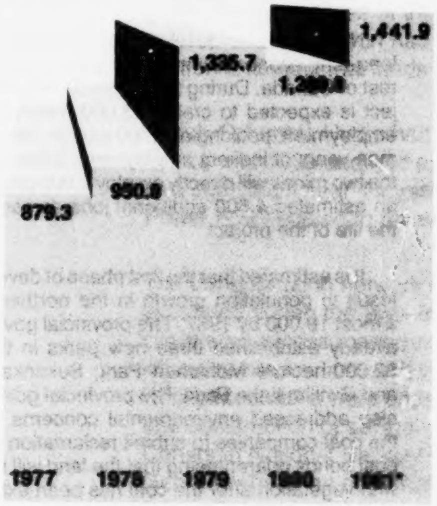
Industrial Minerals

The value of industrial mineral production in 1981 is estimated at $122.5 million, an increase of 6 per cent from the 1980 level. Asbestos, the largest contributor at 63 per cent of the total, accounted for $76.8 million, down $4.9 million from the previous year. The value of sulphur production rose 53 per cent in 1981, to $33.3 million from $21.7 million in 1980.

Hydrocarbons

The value of coal, petroleum and natural gas production increased by 11.8 per cent from $1,290 million in 1980 to $1,442 million in 1981 (*see* Chart 12).

Chart 12 Value of Petroleum, Natural Gas and Coal Production



The total value of coal, natural gas and petroleum production rose 6.3 per cent in 1981 over 1980, attributable primarily to an increase in both the quantity and value of coal production.

*** estimate**

Source: British Columbia Ministry of Energy, Mines and Petroleum Resources

Coal

The value of coal shipments rose a significant 20 per cent, up from $462 million in 1980 to $544 million in 1981. During this period, shipments rose from 10.8 to 11.8 million tonnes.

Expenditure for coal exploration reached $39.0 million in 1981. Major coal developments are listed in the box on page 68.

Northeast Coal Development

On January 23, 1981, formal agreement was reached by two Vancouver-based mining companies to sell metallurgical and thermal coal to the Japanese steel industry. This agreement has made possible the development of British Columbia's northeast coal reserve, the largest industrial undertaking in the province's history.

The sales contracts are between Quintette Coal Ltd. (which is principally owned and operated by Denison Mines Ltd.) and Teck Corporation, and a group of Japanese steel producers. The contracts provide for the sale of 8.0 million tonnes of coal annually for 15 years, with an option to extend the contracts for a further five years. Initial production is scheduled for the fourth quarter of 1983, with full production slated for 1984.

An estimated $2.5 billion is being invested in the project by the private and public sectors to develop the mine sites and necessary infrastructure. Two new open pit coal mines will be developed, one of which will be the largest metallurgical coal mine in Canada. The community of Tumbler Ridge is being constructed to serve the mine sites and an expected population of 6,000.

To ship the coal from the mines, the existing British Columbia Railway line is being upgraded and a new 129-kilometre branch is being constructed from a point between Prince George and Chetwynd to the mining area. The new branch will pass through the Rocky Mountains, requiring excavation of several tunnels, including one six kilometres long and another nine kilometres long. The Canadian National Railway line from Prince George to Prince Rupert is also being upgraded to handle coal shipments. At least ten new unit trains, each with 98 cars, will be built for the railways. The coal will be shipped from the mines to new coal-handling facilities under construction at the port of Prince Rupert.

The project involves the construction by British Columbia Hydro of a new 127-kilometre power line from the Shrum generating station on the Peace River to the mines and the new Tumbler Ridge community. The existing Heritage Highway from Dawson Creek will be upgraded and a 92-kilometre, two-lane paved highway will be built from Chetwynd to Tumbler Ridge.

Northeast coal development will have a substantial long-term economic impact on British Columbia and the rest of Canada. During the construction phase, the project is expected to create 13,000 man-years of direct employment, peaking at 5,500 jobs in 1982 and 46,800 man-years of indirect employment. When in operation, the two mines will directly employ 2,000 people, creating an estimated 4,600 additional jobs across Canada for the life of the project.

It is estimated that the first phase of development will result in population growth in the northeast region of almost 10,000 by 1987. The provincial government has already established three new parks in the area: the 32,000-hectare Monkman Park; Sukunka Falls Park; and Gwillim Lake Park. The provincial government has also addressed environmental concerns by requiring the coal companies to submit reclamation plans and to post bonds guaranteeing that the land will be reclaimed with vegetation after the coal has been extracted.

Both the provincial and federal governments will benefit from this development through the collection of taxes and royalties. In addition, a complex system of surcharges, levies and supplements has been designed to recover the provincial investment in the infrastructure. The new transportation links and port facilities will enable continued growth and industrial expansion in the northeastern region of the province.

Northeast Coal Development

Development of British Columbia's northeast coal resources continued in 1981, and by mid-1982 all participants in the project had awarded contracts exceeding $555 million. Total public and private sector investment in the project is expected to be $2.5 billion. Further information pertaining to development plans for the region are included in the special topic box on the adjacent page.

To mid-1982 much of the preparatory work for the northeast coal development had been completed. Quintette Coal Limited, one of the two mining companies involved in the project, had begun surface pre-stripping for the mine, had opened a 1,000-worker construction camp, and was in the process of clearing a right-of-way for a coal conveyor. Site clearing was underway at Teck Corporation's Bullmoose mine and a 500-worker construction camp was nearing completion at mid-year.

The Tumbler Ridge townsite, expected to have a population of 6,000 when the project is completed, was also being developed. By mid-1982, installation of underground services at the District of Tumbler Ridge was nearing completion, residential construction had begun, and development of the town's commercial section and industrial lands was imminent.

British Columbia Hydro had cleared the right-of-way for a 127-kilometre power line by mid-1982 and had erected hydro poles from the Shrum generating station to a substation near Tumbler Ridge where foundations had been completed. Power is scheduled to be available to the new town by October 1982.

The transportation network required to support the coal development was also expanded during the year. In 1981 the British Columbia Railway Company completed access roads and erected temporary bridges along its new 129-kilometre branch line, and by mid-1982 the six- and nine-kilometre tunnels in the Rocky Mountains were under construction. In addition, grading of the right-of-way and construction of several of the 11 permanent bridges along the line continued. Canadian National Railway was upgrading the existing rail line from Prince George, where the coal will be transferred from British Columbia Railway, to Prince Rupert.

The Ministry of Transportation and Highways had finished clearing for the new Chetwynd-Tumbler Ridge Highway by mid-1982 and grading was underway. The ministry had also completed all the temporary bridges and begun construction of the permanent bridges. Paving on the Ridley Island access road was expected to be completed by the fall of 1982.

Ridley Terminals Inc. was selected in 1981 to build and operate the new coal port facilities at Ridley Island near Prince Rupert. By mid-1982, blasting and clearing of the coal stockpiling area was in progress and dredging at the dock site was approximately 50 per cent completed.

The construction of these new facilities and upgrading of the existing ones is expected to be completed by the fourth quarter of 1983, when the first coal shipments are scheduled for export to Japan.

Petroleum and Natural Gas

Oil production in British Columbia rose slightly in 1981, reflecting steady demand conditions and the introduction of new producing wells and recovery methods to the industry. Gas production, however, declined by 6 per cent and gas delivered to pipelines fell by 10 per cent (*see* Table 19), due to continuing weakness in natural gas export markets. Exploration for petroleum and natural gas also suffered a severe downturn in 1981, with a 45 per cent drop in recorded drilling activity. This pattern of decline, which has continued since the peak level reached in 1979, is attributable to reduced export demand, caused by price increases and the weakening of the United States economy, and to the effects of the federal government's National Energy Program.

Table 19
Economic Indicators of Activity in Petroleum and Natural Gas

		1979	1980	1981	Change 1980–1981
					(per cent)
Oil production	(thousand cubic metres)	2,140	2,002	2,035	1.6
Natural gas to pipeline	(billion cubic metres)	11.4	8.9	8.1	−9.7
Number of wells authorized		464	369	174	−52.8
Number of wells drilled		393	383	211	−44.9
Seismic crew weeks		454	467	281	−39.8
Provincial reserves—					
Oil	(million cubic metres)	28.5	27.6	25.5	−7.6
Raw gas	(billion cubic metres)	260	288	296	2.8
Provincial government revenue[1]	($ millions)	229.8	156.5	69.3	−47.1

[1] From fees, rentals and tender bonuses for permits, leases and drilling reservations. The figures for provincial government revenue are on a fiscal year basis.

In line with the depressed market conditions, exploration activity, measured in metres drilled and wells completed, was reduced to its lowest level since 1976. Despite this reduced exploration, gas reserves increased during the year. The Ministry of Energy, Mines and Petroleum Resources estimates that the province's raw gas reserves totalled 296.1 billion cubic metres at December 31, 1981, up 7.8 billion cubic metres over the previous year.

No major discoveries were made in 1981, although 101 gas wells and 27 oil wells were completed. All wells, with the exception of two which were drilled and later abandoned, were located in the northeast corner of the province. The abandonments were part of a drilling program being conducted in the Nechako region near Quesnel.

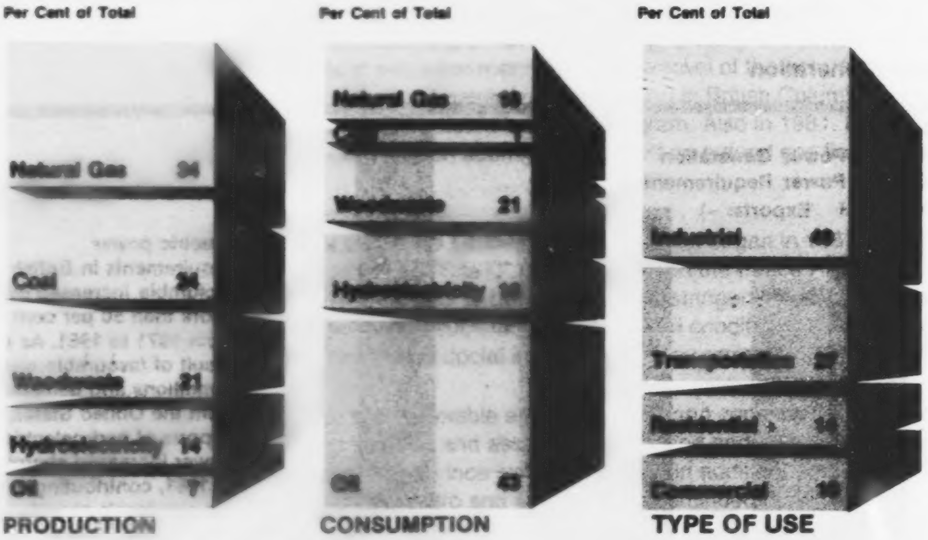
Indicators during the early months of 1982 show a continuing sharp decline in exploration. Only 38 authorizations were issued to the end of April, compared to 95 for the same period in 1981, while other phases of exploration experienced similar declines. For additional information pertaining to British Columbia natural gas, *see* Chapter 4: Crown Corporations and Enterprises, British Columbia Petroleum Corporation.

Energy

British Columbia has an abundant and diverse energy resource base of oil, natural gas, coal, woodwaste and hydroelectric power, all of which will play a role in meeting the province's future energy requirements. Natural gas volumes are estimated to be more than sufficient to meet both domestic and export requirements to at least 1995, while coal reserves should meet expected demand well into the next century. Hydroelectricity is also expected to be a key element in the province's future energy provision since, in addition to existing and planned hydroelectric sites, there are major undeveloped sites with potential power of three times existing installed capacity.

British Columbia is one of only two Canadian provinces in which primary production of energy exceeds gross provincial consumption. Approximately 45 per cent of the natural gas and virtually all of the coal produced in the province is currently exported. The province is not, however, self-sufficient in all energy sources; approximately 70 per cent of petroleum requirements are met by imports, primarily from Alberta. Energy consumption and production, by energy source, are illustrated in Chart 13.

hart 13 Energy Production and Consumption in 1981



Between 1980 and 1981, woodwaste as a proportion of total provincial energy production rose from 17 to 21 per cent. At the same time, production from oil fell from 10 to 7 per cent of the provincial total.

Source: Estimates for 1981: British Columbia Energy Supply and Requirements Forecast, 1980–1995 (Ministry of Energy, Mines and Petroleum Resources, April 1981)

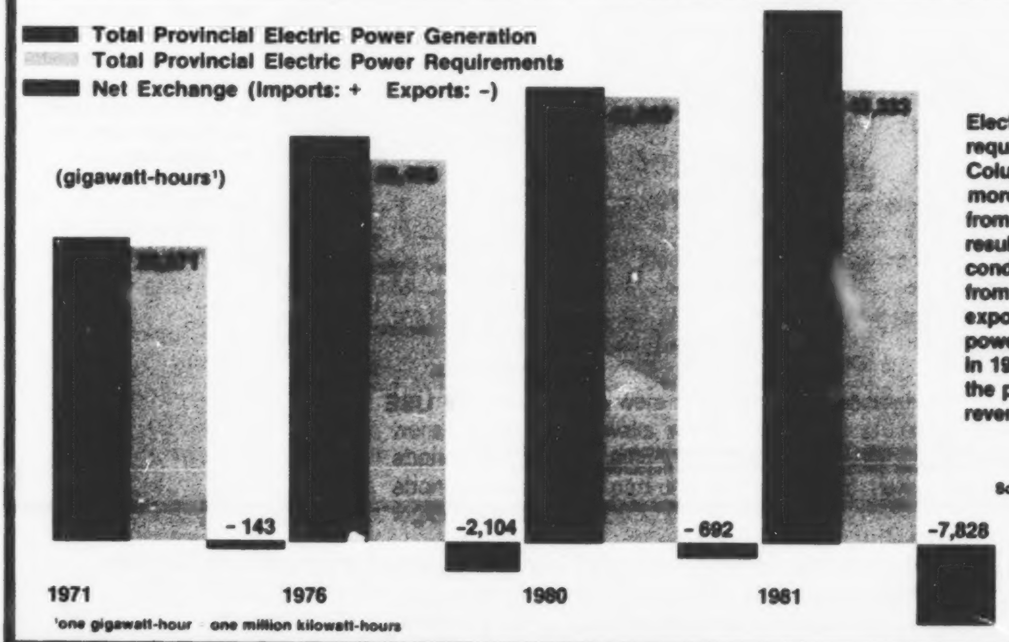
Electric Generation

As a renewable resource, hydroelectricity is an important energy source, currently meeting 15 per cent of British Columbia's energy requirements. At March 1982, total installed generating capacity in the province was 11,107 megawatts. Hydroelectric capacity comprised 84 per cent of this amount (*see* Appendix 6: Table 6.6), and provided 97 per cent of the province's electric generation during 1981 (*see* Appendix 6: Table 6.5). The province also has major thermal generating facilities, with excess capacity available to offset possible interruptions in the hydroelectric power supply. British Columbia is one of the few places in the world that uses only small amounts of fossil fuel to generate electricity.

The five largest hydroelectric plants currently operating in the province are: Gordon Shrum generating station (W.A.C. Bennett Dam), 2,730 megawatts; Mica powerplant, 1,736 megawatts; Kemano plant, 813 megawatts; Peace Canyon plant, 700 megawatts; and Seven Mile plant, 525 megawatts (or 607.5 megawatts if and when flooding across the United States border is permitted). The Revelstoke project, consisting of six 450-megawatt units with an ultimate generating capacity of 2,700 megawatts, is currently under construction. Considerable hydroelectric potential still exists in the province and development prospects continue to be assessed with respect to the availability of alternate sources of energy, and to social, economic and environmental factors associated with energy developments.

In 1981, electric power consumed in the province, including transmission losses, reached 43,333 gigawatt-hours, up 0.9 per cent over 1980 (*see* Chart 14). Exports of electricity exceeded imports in 1981, with substantial blocks of power flowing both ways between British Columbia and the United States, and between British Columbia and Alberta. The net result was an outward flow of 7,828 gigawatt-hours, or 15.3 per cent of total production, thereby enabling the provincially-owned utility, British Columbia Hydro and Power Authority, to earn more than $200 million in export revenue.

Chart 14 Electric Power Generation



¹one gigawatt-hour = one million kilowatt-hours

Electric power requirements in British Columbia increased by more than 50 per cent from 1971 to 1981. As a result of favourable water conditions and demand from the United States, exports of hydroelectric power increased sharply in 1981, contributing to the province's export revenue.

Source: Ministry of Environment

Energy Policy

Provincial initiatives were undertaken in 1981 to promote the policy of attaining energy security and deriving maximum economic benefits from energy resources. A new natural gas allocation process is intended to ensure that natural gas which is surplus to provincial requirements is used in a manner beneficial to the province. Proposals for a liquified natural gas plant were subject to this allocation process, which resulted in provincial approval of a proposal by Dome Petroleum Ltd. For further details of the proposed project, *see* Chapter 4: British Columbia Petroleum Corporation.

A commission of inquiry was appointed in November 1981 to assess provincial gas resources and projected domestic need. The report of the commission, tabled in May 1982, included a number of recommendations to help ensure that the province's current and future energy requirements are met.

In another effort to improve management of surplus natural gas, the province submitted a request to the National Energy Board for modification of its existing export contract. The submission proposed the inclusion of a "take-or-pay" clause to stabilize British Columbia's natural gas exports to the United States Pacific Northwest. British Columbia's existing contract is the only Canadian natural gas export contract without such a clause.

In September 1981, the province concluded an agreement with the federal government covering a number of energy pricing and taxation issues. Among the highlights of this agreement were the removal of the natural gas and gas liquids tax from exports of natural gas originating in British Columbia, and federal funding of the petroleum incentive program. Also in 1981, the British Columbia Utilities Commission submitted its report on natural gas field and wholesale pricing.

Hearings under the *Utilities Commission Act* began in 1981 on British Columbia Hydro's proposed "Site C" power project on the Peace River. This is the first major energy project to be subject to the stringent review process, which takes into consideration such factors as demand conditions, alternative sources and environmental and social impacts of energy projects.

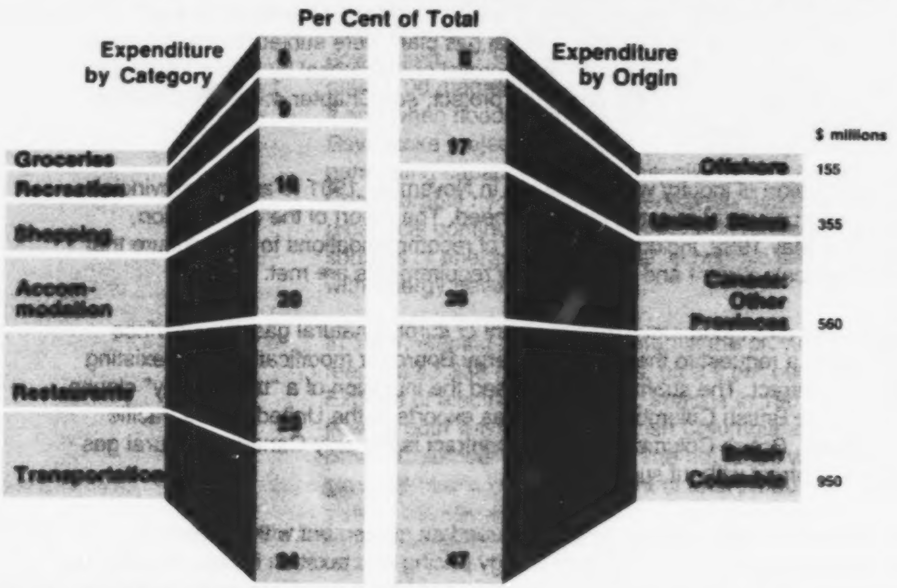
Research into renewable energy sources and conservation techniques also continued in 1981, and assessments of wind and small/micro hydro power potential in the province were completed. In addition, demonstration projects involving micro hydro and solar heating continued during the year, under joint federal/provincial funding.

Tourism

The travel industry plays a prominent role in the provincial economy by contributing more than five per cent to the gross domestic product and generating more than 70,000 jobs. In 1981 tourists spent an estimated $2.07 billion in British Columbia, up 15.0 per cent from 1980. (*See* Chart 15.)

Tourist expenditure in British Columbia accrues largely to Vancouver Island and the Lower Mainland, with these two areas receiving 57 per cent of the travel dollars expended in the province. Table 20 illustrates the distribution of tourist expenditure by region.

Chart 15 Tourism in British Columbia, 1981



Source: British Columbia Ministry of Tourism.

Expenditure by tourists reached $2.02 billion in 1981, up 12.2 per cent from 1980. Three-quarters of tourist revenue was provided by visitors from within the province and other parts of Canada, while the United States accounted for the majority of the remainder.

The $50 million federal/provincial Travel Industry Development Subsidiary Agreement (TIDSA), signed in October 1978, is designed to ensure sustained growth in the tourist industry. To enhance diversification of the provincial economy, the agreement focuses on areas outside the Lower Mainland and southern Vancouver Island. More than 210 projects have been offered assistance under TIDSA. Further details of the agreement are contained in Chapter 6: Industrial Development, Travel Industry Development.

Table 20
Regional Market Share of Tourist Expenditure, 1981

	($ millions)	Per Cent of Total
Southwest	750	35
Vancouver Island	450	22
Okanagan-Similkameen	230	11
Thompson	175	9
Yellowhead	150	7
Rocky Mountain	110	5
Kootenay	85	4
Cariboo	70	4
Peace River-Alaska Highway	50	3
Total	2,070	100

Agriculture

British Columbia's agriculture and food industry encompasses farmers, farm workers, suppliers of farm inputs, processing plants, wholesale operations, restaurants and retail firms. Production of agricultural products is highly specialized by region, as shown in Table 21.

Table 21
Agricultural Region and Product Specialization, 1981

Area	Product Specialization	Share of Total Production
		(per cent)
Peace River District	Grains and oilseeds	85
Okanagan-Kootenay	Tree-fruits	95
South Coastal	Berry crops	75
	Eggs and poultry	85
	Milk and vegetables	75
	Pork	60
Thompson-Cariboo and Central Interior	Beef cattle	70

As indicated in Table 22, the agriculture industry continued to expand in 1981, with increases recorded in the values of both farm cash receipts and food and beverage manufacturing shipments.

Table 22
British Columbia Farm Cash Receipts

	1976	1980	1981	Change 1980–1981
		($ millions)		(per cent)
Grains and oilseeds	22.7	45.4	48.7	7.3
Horticultural crops	119.1	181.8	203.0	11.7
Cattle and calves	74.1	127.8	119.5	−6.5
Hogs	11.3	30.6	44.3	44.8
Dairy products	107.7	174.2	195.7	12.3
Poultry and eggs	84.4	119.9	142.4	18.8
Other products	61.0	70.0	100.4	43.4
Total	480.3	749.7	854.0	13.9

British Columbia's farmers also continued to produce and market an increasing volume of farm products. Farm inputs purchased were valued at $671.0 million, while preliminary estimates of farm cash receipts indicate that the products had a record-high value of $854.0 million, 13.9 per cent higher than in 1980. (*See* Table 23). After transportation, processing, grading, packaging and marketing, these products had an estimated retail value of $2.1 billion. Total farm net income reached $90.6 million in 1981.

Table 23
Activity Indicators of Agricultural Industry

		1980	1981	Change 1980–1981
				(per cent)
Number of agricultural holdings	(thousands)	20.0	20.0	0.0
Cultivated land area	(thousand hectares)	935	947	1.3
Farm cash receipts	($ millions)	750	854	13.9
Food and beverage manufacturing shipments	($ millions)	2,319	2,605	12.3

Agriculture and Food Programs

The Ministry of Agriculture and Food administers programs designed to assist both producers and processors of agricultural products. The programs reflect the government's policy of preserving agricultural land and ensuring a continuing food supply.

Property Management

The ministry's Property Management Branch is responsible for administering 133 agricultural properties purchased by, or assigned to, the Provincial Agricultural Land Commission. The branch also operates the institutional Colony Farm, Tranquille Farm and Steeples Ranch, which are planned to be transformed from their traditional role to research and development projects.

Farm Income Insurance

The Farm Income Insurance Program offers farmers a significant degree of income security through insurance protection for a wide variety of products. Due to unprecedented low market returns in the tree fruit and beef industries, the program budget of $16.0 million was exceeded by $14.0 million in the 1981/82 fiscal year. Future insurance premiums will be increased, under the terms of the agreements between the government and producer groups, to offset these payments.

Agricultural Credit Program

In an effort to ease financial constraints and burdens for farm operators, the Agricultural Credit Program, initiated in 1974, has issued 342 loan guarantees to banks and credit unions on agricultural loans totalling $34.9 million. At March 31, 1982, loans of $14.3 million were outstanding, yielding a contingent liability to the province of $4.3 million. From inception to March 31, 1982, the Partial Interest Reimbursement Program has paid $65.2 million to farm operators to reduce the effective interest rate on agricultural loans.

Farm Product Industry Act

Under the *Farm Product Industry Act*, financial assistance in the form of loans, grants and loan guarantees is provided for the development, expansion and modernization of processing facilities; as an aid to processing firms encountering financial difficulties, where assistance is not otherwise available; and as an encouragement to processors to develop new products and markets for British Columbia grown agricultural products.

Agriculture and Rural Development Agreement

The five-year federal/provincial Agriculture and Rural Development Subsidiary Agreement, signed in July 1977, provides assistance on a shared-cost basis for such projects as Crown range improvement under coordinated resource management plans, major drainage and irrigation systems and research. Under the Agreement, $60 million in shared-cost government funding was authorized for projects to be completed by December 31, 1983. At the close of the 1981/82 fiscal year, $34.5 million had been expended for approved projects, while more than $47.0 million had been committed.

Agricultural Research

The ministry also supports agricultural research; $157,850 was allocated in cooperation with the University of British Columbia and a further $90,000 was distributed through the Demonstration of Applied Technology and Economics Program.

Fisheries

The commercial fishing industry recovered somewhat in 1981 from the poor 1980 season, with both production and prices increasing. Aggregate landings are estimated at 140,935 tonnes, up 13 per cent from 1980, while landed and wholesale values are estimated at $209 million and $519 million, up 16 per cent and 29 per cent respectively. (*See* Table 24.) Although the value of the 1981 catch is estimated to be higher than that of 1980, it remains below the 1979 record-high wholesale value of $563 million.

Table 24
Wholesale Marketed Value of Fish Products

	1971	1976	1980	1981[2]
	($ millions)			
Salmon	96.9	187.0	289.1	372.5
Herring	2.2	65.5	48.2	81.2
Halibut[1]	8.4	15.3	10.0	10.5
Shellfish	2.4	9.3	14.9	13.5
Cod	2.7	8.8	14.6	17.4
Sole	1.8	4.0	6.0	5.8
Other	2.8	4.7	19.4	18.0
Total	117.2	294.6	402.2	518.9

[1] Excludes halibut landings at United States ports by British Columbia fishermen.
[2] Estimates.
Source: Fisheries Statistics of British Columbia, Fisheries and Oceans Canada.

The major recoveries in 1981 were in the salmon, roe herring and cod fisheries. Salmon landings increased by 50 per cent to an estimated 77,326 tonnes, and the landed value is estimated to have reached $154 million, an increase of 32 per cent from 1980. In recent years, the canned salmon pack has contributed a growing proportion of total salmon value, accounting for approximately 64 per cent of the total in 1981. A drop in the value of fresh, frozen, roe and other salmon products in 1981 was offset by a 62 per cent increase in the value of the canned salmon pack, resulting in a 29 per cent increase in the wholesale value of salmon.

Total herring landings also recovered in 1981 to an estimated 31,000 tonnes. The wholesale value of the catch reached $81 million, a substantial 68 per cent increase from the year earlier.

Despite a drop in the volume of landings in the 1981 cod fishery, higher prices resulted in a 19 per cent increase in the wholesale value of the cod catch.

Fisheries Policy

The federal Commission on Pacific Fisheries Policy was established in 1981 to investigate matters pertaining to the condition, management and utilization of the Pacific Coast fishery. During the year, the commission released its preliminary report, in which it identified over-capacity in the fishing fleet as the central problem with which the industry must contend. The commission's final report is expected in 1982.

Manufacturing

The British Columbia manufacturing sector is dominated by activities closely related to the processing and refining of natural resource products. As indicated in Table 25, forest-related industries accounted for 50 per cent of manufacturing gross domestic product (GDP) in 1980, while mining-related industries accounted for 13 per cent and agriculture-related industries provided 9 per cent. Resource-related manufacturing GDP was $4,846 million, representing 75 per cent of total manufacturing GDP.

Table 25
Gross Domestic Product by Manufacturing Industry (at factor cost)

Industry	1980	Share of Manufacturing Total
	($ millions)	(per cent)
Forest-related	3,245	50.5
Metal-related (machinery, fabrication and transportation equipment)	886	13.8
Mining-related (including smelting and refining)	845	13.1
Agriculture-related	554	8.6
Fishing-related	202	3.1
Other	698	10.9
Total	6,430	100.0

Source: British Columbia Economic Accounts, Central Statistics Bureau, Ministry of Industry and Small Business Development.

Following annual growth of 20 per cent in 1978 and 1979, the value of manufacturing shipments increased by 9 per cent in 1980 and an estimated 4 per cent in 1981, as shown in Table 26. This weakening was largely attributable to the decline in the forest-based manufacturing sector which suffered a six-week industrial dispute in mid-1981 and a reduction in export demand for British Columbia lumber, due particularly to reduced housing construction activity in the United States. As a result, the total value of shipments from British Columbia's sawmills and planing mills fell by 5 per cent, while there was a 4 per cent decrease for veneer and plywood shipments and a 13 per cent drop for shipments by the pulp and paper industry. Petroleum and coal products industries, however, recorded strong growth in 1981 with the value of shipments increasing by 43 per cent.

Table 26
Activity Indicators in Manufacturing

	1976	1979	1980	1981	Change 1979–1980	Change 1980–1981
		($ millions)			(per cent)	
Salaries and wages	2,173	3,163	3,530[1]	3,700[1]	11.6	4.8
Cost of materials used	4,773	8,137	8,500[1]	N/A	4.5	N/A
Value added by manufacture	4,007	6,331	6,650[1]	N/A	5.0	N/A
Shipment value	8,857	14,628	15,878	16,534	8.5	4.1

[1] Estimated by Central Statistics Bureau, Ministry of Industry and Small Business Development.
Source: Statistics Canada, Census of Manufacturers.

Industrial Development

The Ministry of Industry and Small Business Development is responsible for promoting trade and industrial development in the province. The ministry's main programs are administered by the Trade and Industry Division and the Program Implementation and Co-ordination Division. The Central Statistics Bureau and the Economic Development Policy Bureau support these and other government programs and activities.

Trade and Industry Division

The Trade and Industry Division, operating from Vancouver, pursues four major objectives: to expand and diversify the province's existing industrial and commercial base; to increase the production and export of British Columbia goods and services; to attract new investment to the province, and to provide services to support business start-up and management development.

Developmental activities undertaken in 1981 are listed in Table 27. More than 500 companies and business associations were assisted through industry/government shared-cost programs and in excess of 4,000 personal interviews were conducted. These efforts resulted in approximately $80 million in direct sales, more than $94 million in projected sales, and $187 million in new capital investment which created nearly 2,350 new jobs.

Table 27
Activities of the Trade and Industry Division, 1981

Activity	1981
Trade missions	34
Number of British Columbia companies assisted in overseas market development	118
Number of incoming buyers sponsored	18
Number of companies given assistance to participate in trade shows	72
Number of companies which received technical assistance	24
Number of evaluations of business proposals made by prospective entrepreneurial immigrants	300

In 1981, the ministry sponsored trade show participation in Germany (fish and food processors), Toronto (hotel/restaurant products and equipment), Seattle (forestry equipment) and Alberta (fish and food export development and furniture). In addition, the division was engaged in identifying export market opportunities for British Columbia goods and services in five geographic areas.

To encourage increased participation by British Columbia manufacturers and suppliers in the development of British Columbia's mineral and energy resources, the Office of Procurement and Industrial Benefits was established to administer the provincial government's major project procurement policy.

The ministry was involved in negotiations with the federal government to support the establishment of a microelectronics centre at the University of British Columbia. As a result, federal funding of $1 million will be provided over the next five years.

The ministry continued its evaluation of business proposals from candidates planning to immigrate and establish businesses in British Columbia. During 1981, assessments were conducted of almost 300 proposals which had the potential to create an estimated 1,000 jobs and investment of $75 million.

Business development activities encouraging European companies to invest in British Columbia were also undertaken by staff operating from British Columbia House in the United Kingdom. These activities focused on Scandinavia and on the European Economic Community, with primary emphasis on the United Kingdom, West Germany and France.

Small Business Development

Small business development programs strengthen small enterprise activity throughout the province through business education promotion, personal contacts and workshops. In 1981 the Small Business Services Branch responded to more than 16,000 inquiries from proposed or existing businesses concerning start-up operations and expansion activities. A number of firms were provided financial assistance to hire consultants for marketing and feasibility studies. In addition, 65 Business Information Centres, established in cooperation with local Chambers of Commerce, provided quick and easy access to business information, government programs and the ministry's business advisers.

Program Implementation and Coordination Division

The Program Implementation and Coordination Division designs, negotiates and implements certain intergovernmental and joint industry/government programs; provides analysis and recommendations for the development, negotiation and evaluation of public and/or private sector economic development issues and proposals; and plays a key role in the implementation of subsidiary agreements signed under the federal/provincial General Development Agreement.

General Development Agreement

On March 28, 1974, British Columbia and Canada signed the ten-year General Development Agreement (GDA) which made provision for joint cooperation and funding of projects to be undertaken under special purpose subsidiary agreements. The GDA is designed to promote balanced development among areas of the province and to provide assistance to targetted areas which require special measures to realize development potential. Two major subsidiary agreements under the GDA include the $70 million Industrial Development (IDSA) and the $50 million Travel Industry Development (TIDSA) subsidiary agreements.

Travel Industry Development

Since the inception of TIDSA in October 1978, a total of almost $43 million has been committed to 218 projects, thereby assisting in the creation of more than 2,000 new jobs and attracting more than $100 million in private capital investment. In addition, almost $20 million has been committed to the development of regional and world-class ski resorts which offer year-round multi-recreational facilities. These skiing-related projects are expected to create over 1,000 new jobs and attract in excess of $300 million in private capital investment by 1985.

Industrial Development Programs

The five-year IDSA program, which was signed in July 1977, has advanced $40 million for 25 industrial land developments, $2.6 million for the establishment of 20 regional economic commissions and $1.6 million for 74 economic and socio-economic studies. In March 1982, a one-year extension was signed to allow the commitment of remaining available funds. At that time, provision also was made for a $50 million revolving fund to assist in the ongoing development of industrial infrastructure projects.

The Assistance to Small Enterprise Program (ASEP), established under IDSA, is designed to stimulate manufacturing and processing industries by providing interest-free forgivable loans for capital expenditure. At March 31, 1982, assistance totalling $9.5 million had been approved for 536 projects. The Small Manufacturers Assistance Program, which was established in 1980 as a complementary program to ASEP for the Lower Mainland, the Gulf Islands and the Capital Region, terminated in March 1982. During the life of the program, 185 loans totalling $3.2 million were approved.

The division also participates in the implementation of the Special Rural Development Agreement and the following subsidiary agreements: Intensive Forest Management, Agriculture and Rural Development, and Ridley Island Road Access. In addition, the division is responsible for coordination of provincial funding contributions to the Burns Lake Native Development Corporation and the Cooperative Overseas Market Development Program.

Central Statistics Bureau

The Central Statistics Bureau, operating under the *Statistics Act*, provides information pertaining to the economic and social characteristics of the province and its regions. The bureau's services include up-to-date population estimates for small areas, measures and forecasts of the performance of the British Columbia economy, special tabulations of data, quantitative and analytical support to government programs and an inquiry service to handle requests for data from government, business and the public.

Economic Development Policy Bureau

The Economic Development Policy Bureau provides policy assessments and development alternatives relating to industrial, trade and socio-economic activities in the province. In addition, the bureau evaluates major project proposals and provides planning and coordinating functions. The bureau is also responsible for development and coordination of the province's industrial policy and trade development strategies.

Science and Technology

The Science and Technology Division of the Ministry of Universities, Science and Communications funds scientific research and technological development projects that have high potential for economic growth and social benefit. The division coordinates research activities of government, industry and the academic community to establish cooperative development and use of the province's natural and human resources.

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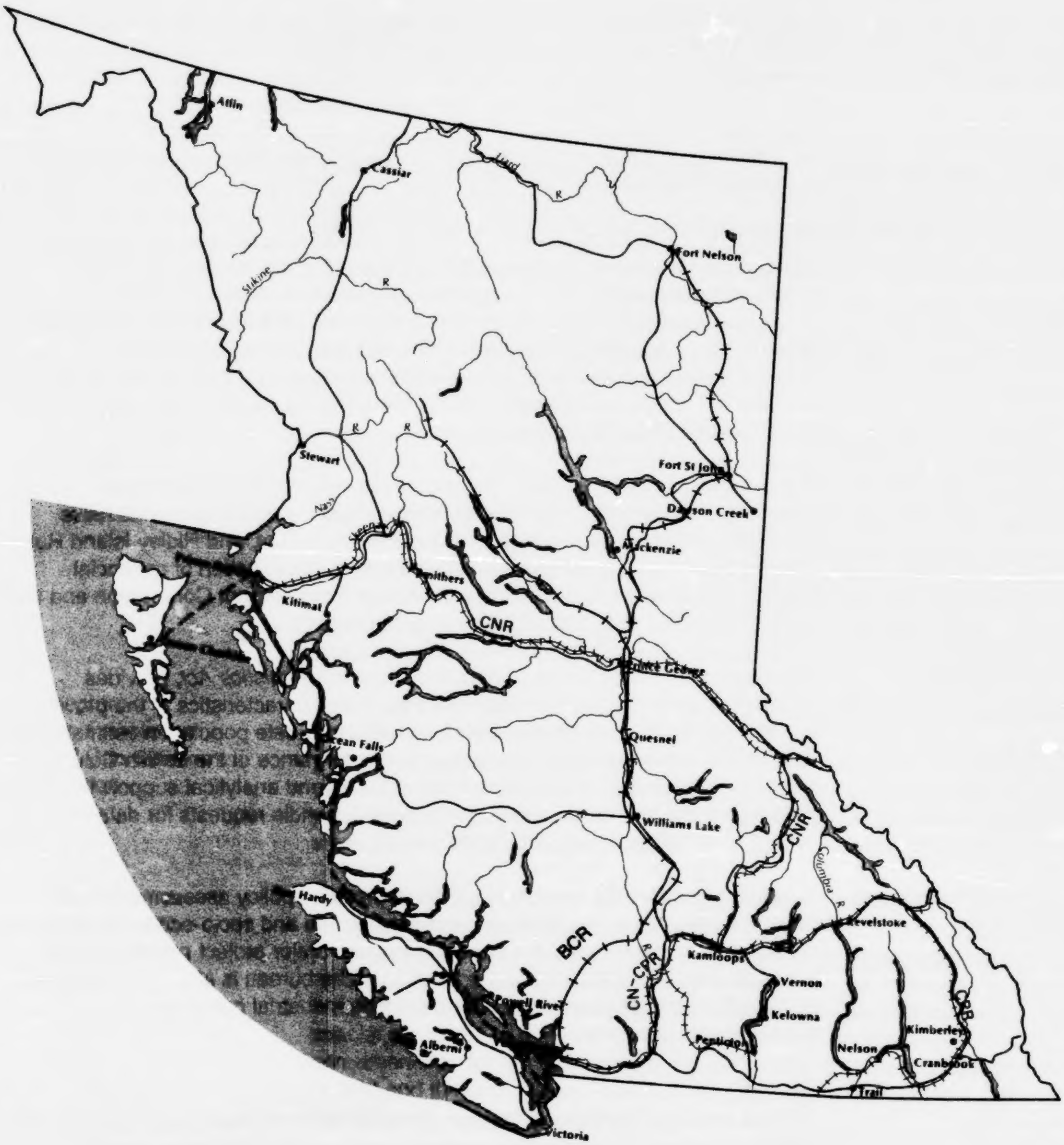
MAP 3

PROVINCIAL TRANSPORTATION NETWORK


Atlin
Cassiar
Liard R
Fort Nelson
Stikine R
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Stewart
Nass
Skeena
Fort St John
Dawson Creek
Mackenzie
Smithers
Kitimat
CNR
Prince George
Quesnel
Ocean Falls
Williams Lake
CNR
Columbia R
Hardy
Revelstoke
BCR
Kamloops
CN-CPR
Vernon
Kelowna
Powell River
Penticton
Nelson
Kimberley
Cranbrook
CPR
Alberni
Trail
Victoria

Arterial Highways ———

Railways +—+—+

Ferry Routes (Main) - - - -

Science Council of British Columbia

The Science Council of British Columbia, established under the *Science Council Act*, advises the government on research and development priorities and promotes industrial, economic and social development by recommending the acquisition, development and dissemination of specific scientific and technological knowledge. With the assistance of the research secretariat, which provides administrative support, the Science Council allocates funds for applied research and development projects, Graduate Research Engineering and Technology (GREAT) awards and industrial post-doctoral fellowships. In addition, the council encourages science policy discussions with the federal government and other provinces.

Discovery Foundation

The Discovery Foundation, a non-profit society, and its wholly-owned subsidiary, Discovery Parks Incorporated, were established to advance scientific, technological and industrial research in British Columbia, by developing industrial research parks. Research parks have been established at the British Columbia Institute of Technology and at Simon Fraser University. Future developments are anticipated at the Universities of British Columbia and Victoria. These parks will provide an environment for industry to work with the academic community to develop high technology industry within the province.

British Columbia Research Council

The British Columbia Research Council is an independent, non-profit organization with two branches: B.C. Research and Techwest Enterprises Limited. Contracts with industrial clients and various governments provide about 85 per cent of the income of B.C. Research. Other income is received from royalties, rentals, investments and a province of British Columbia research grant. The grant provides core funding for research programs of provincial priority.

Transportation and Communications

Provincial Highways

The Ministry of Transportation and Highways administers 43,071 kilometres of provincial roads and rights-of-way, of which 18,119 kilometres are paved and 24,952 kilometres are gravelled. There are 2,276 kilometres of provincial arterial highways in municipalities (*see* Map 3). (Note: An error in the 1981 Review listed 19,538 kilometres of paved and 24,952 kilometres of unpaved road. The figures should have been 17,718 and 24,620, respectively). Provincial highway construction for the year ended March 31, 1982 is summarized in Table 28.

Railways

There are approximately 7,400 kilometres of main line track operated in the province by the British Columbia Railway (BCR), Canadian Pacific Railway (CPR), Canadian National Railway (CNR) and other railways. BCR also manages and operates the 37-kilometre British Columbia Harbours Board Railway connecting main tracks on the Lower Mainland to the Roberts Bank Superport, while British Columbia Hydro and Power Authority operates rail freight facilities in the Lower Mainland and Fraser Valley. Other systems operating in the province include the White Pass and Yukon Railway (between Skagway and Whitehorse) and the Burlington Northern Railway (to the Lower Mainland from Seattle). The system also includes CPR and CNR railcar barge connections to Vancouver Island, and the CNR Aqua-train service between Prince Rupert and Whittier, Alaska.

Table 28
Provincial Highway Construction for Fiscal Year Ended March 31, 1982

Construction	
By contract	(kilometres)
four-lane	20
two-lane	80
By day-labour	
four-lane	2
two-lane	812
Total	914
Paving	
New	679
Sealcoat (maintenance)	405
	(number)
Bridges and major highway structures	16
Highway-bridge expenditure	($ millions)
Capital	303
Maintenance	196
Total	499

CNR expended approximately $74.6 million in 1981 for maintenance and track renewal in British Columbia, an increase of 55.7 per cent over 1980. Of this amount, approximately $13.2 million was invested in new rail. The remainder was allocated to new cross ties, ballast, maintenance of bridges and culverts, grade stabilization, yardwork and miscellaneous projects.

CPR invested approximately $50 million in 1981 on track renewal, upgrading and maintenance in British Columbia, an increase of 8.7 per cent over 1980. Expenditure was primarily for the installation of crushed ballast, cross ties, maintenance of bridges and culverts, and capital investment in shops, stations and office buildings. In addition, construction of a new $12.5 million diesel repair shop at the Coquitlam yard was completed in May 1982.

For information pertaining to BCR, *see* Chapter 4: Crown Corporations and Enterprises.

Coastal Shipping

British Columbia is dependent upon coastal shipping for the movement of cargo and passengers to small communities not serviced by highways. Tug and barge services connect major service centres with a number of small communities on Vancouver Island, the Gulf Islands and the mainland coast. Major centres such as Prince Rupert, Kitimat and Masset are also serviced by tug and barge shippers. In addition, British Columbia Ferry Corporation provides drive-on/drive-off freight service on its major routes.

British Columbia ports handled an estimated 67 million tonnes of domestic shipping in 1980, up 8.6 per cent from 1979. Loadings reached 33.8 million tonnes and unloadings totalled 33.4 million tonnes, up 9.0 and 8.1 per cent respectively.

Deep Sea Shipping

The Port of Vancouver is British Columbia's major seaport, with additional ports located at Campbell River, Victoria, Nanaimo, New Westminster, Port Alberni, Powell River and Prince Rupert. These ports have deep-sea facilities and are open year-round.

In 1980, vessels arriving at British Columbia ports from international locations numbered 9,881, while 10,029 vessels departed for international destinations. Approximately 5.5 million tonnes of cargo were unloaded and 49.8 million tonnes of cargo were loaded for foreign destinations.

In 1981, coal and coke remained the leading tonnage export commodity for Vancouver at 15.6 million tonnes (including coal exports from Roberts Bank). Grain exports accounted for approximately 9.1 million tonnes, while lumber and pulp shipments reached 2.0 million and 1.2 million tonnes respectively. Container traffic increased 4.5 per cent from 1.09 million tonnes in 1980 to 1.14 million tonnes in 1981.

A federal/provincial agreement signed in August 1980 provides for a major expansion of the Roberts Bank Superport. The existing facility has a capacity of more than 10 million tonnes of coal per year, which is to be increased in stages to 40 million tonnes per year. The capacity is to be increased through the doubling in size of existing terminals and through the addition of two new ones, the first of which is expected to be operational by the fall of 1983.

To supplement the existing 15-hectare, inner-harbour terminal in Nanaimo, the British Columbia Development Corporation is coordinating the development of the 50-hectare, three-berth terminal and industrial port at Duke Point. Outer areas of the development have been reserved for two saw mills and a pulp mill.

In 1981, the port of Prince Rupert shipped 1.36 million tonnes of grain, compared to 1.39 million tonnes in the previous year. Planned additions of coal, grain and petro-chemical terminals will transform the Prince Rupert port to a major bulk export facility in the northwest. Development of the coal terminal is now underway, with Phase I scheduled for completion in the fall of 1983.

Ferry Service

The Ministry of Transportation and Highways provides ferry service on 11 saltwater and 5 freshwater routes, plus numerous river crossings. For the year ended March 31, 1982 these ferries carried 8.8 million passengers and 3.9 million vehicles, with the saltwater routes accounting for 3.2 million of the passengers and 1.3 million of the vehicles. For information pertaining to the British Columbia Ferry Corporation and British Columbia Steamship Company (1975) Limited, *see* Chapter 4: Crown Corporations and Enterprises.

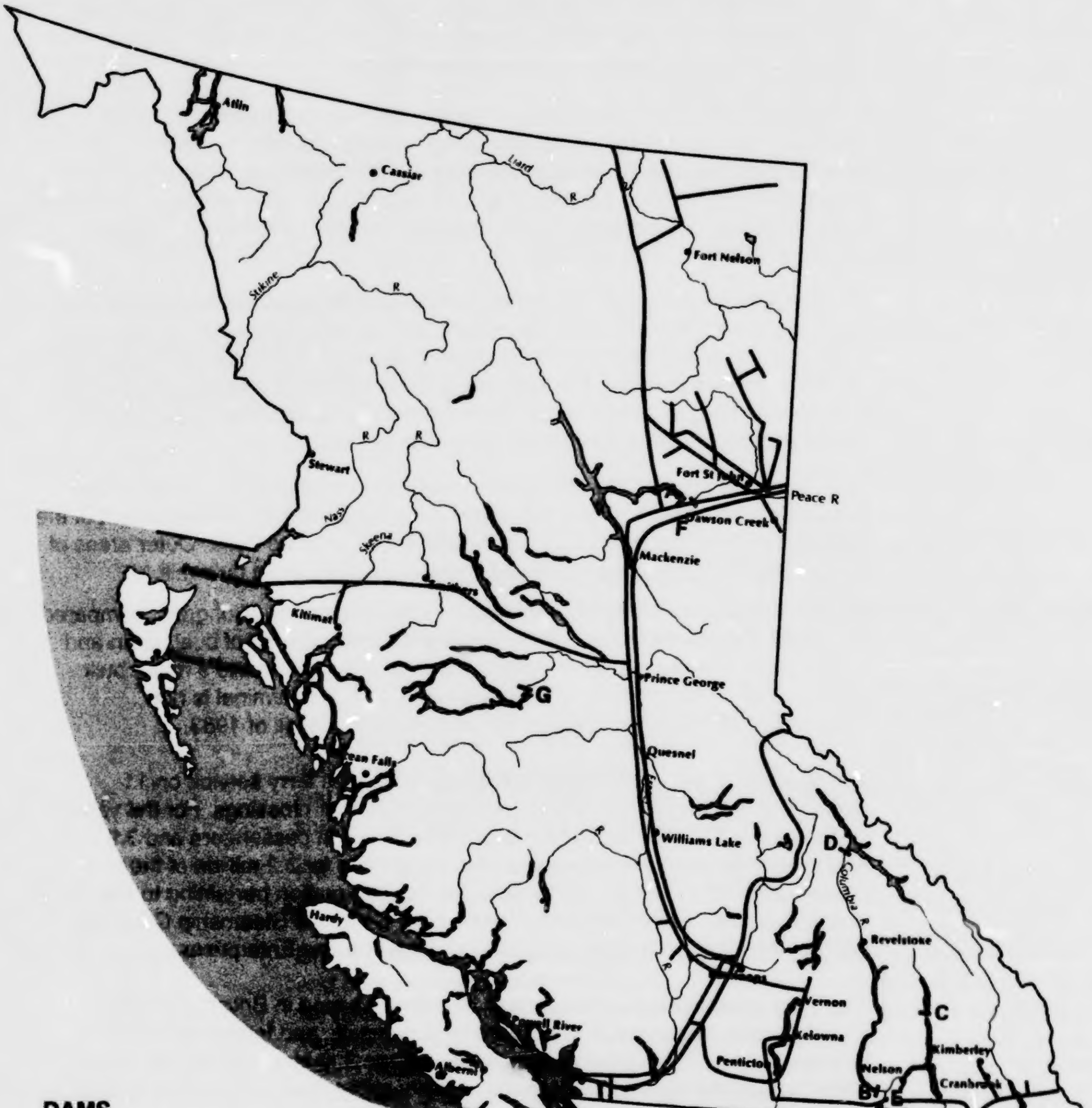
Air Transport

There are approximately 110 licensed air carriers based in British Columbia, providing scheduled and charter services to domestic and foreign destinations. Licensed bases in the province include more than 200 land-based airports, 63 water-based facilities and 23 heliports. Activity at the province's largest airport, the Vancouver International Airport, is detailed in Table 29.

The provincial Air Transport Assistance Program was established in 1977 to assist the development of community airports and regional air services in British Columbia. To March 31, 1982 provincial grants totalling $13.8 million had been allocated.

MAP 4

PROVINCIAL PIPELINE NETWORK AND MAJOR HYDROELECTRIC DAMS


Atlin
Cassiar
Liard R
Fort Nelson
Stikine R
Stewart
R
R
Nass
Skeena
Smithers
Kitimat
Fort St John
Peace R
Dawson Creek
F
Mackenzie
Prince George
G
Ocean Falls
Quesnel
Fraser
Williams Lake
A
D
Columbia R
Revelstoke
Hardy
Vernon
Kelowna
C
Kimberley
Penticton
Nelson
Cranbrook
B
E
Trail
Powell River
Alberni
Victoria

DAMS

- **A** W. A. C. Bennett
- **B** Hugh Keenleyside
- **C** Duncan
- **D** Mica
- **E** Seven Mile
- **F** Peace Canyon
- **G** Kenney

PIPELINES

PETROLEUM - Operating ———

NATURAL GAS - Operating ———

Table 29

Activity at Vancouver International Airport

Totals In/Out		1980	1981	Change 1980 – 1981
				(per cent)
Passengers	(thousands)	7,294	7,098	−2.7
Airmail	(tonnes)	16,420	16,375	−0.3
Air cargo	(tonnes)	63,154	58,573	−7.3
Aircraft movements	(thousands)	294	288	−2.0

Motor Transport

The commercial trucking industry earned revenue estimated at more than $450 million in 1980 for the movement of goods from sources in British Columbia to destinations in the province and elsewhere in Canada. During the 1981 licence year, approximately 1.1 million passenger vehicles and 400,000 commercial vehicles were licensed in the province, down 3 per cent and 5 per cent respectively from the previous licence year.

Pipelines

In British Columbia there are approximately 2,100 kilometres of crude oil trunk and gathering lines, 5,300 kilometres of natural gas transmission lines and 12,100 kilometres of natural gas gathering and distribution lines. (*See* Map 4.)

Communications

At March 1981, there were 159 operating AM radio stations within the province, with 57 stations originating programs. There were also 67 FM radio stations, 16 with local originating capabilities. Television network programming in British Columbia is provided by four companies and 343 television rebroadcasting stations carrying the programming of 13 originating stations. Through 84 cable systems, local cable television is available to 80 per cent of British Columbia residents.

At December 31, 1981, a network of 2 million telephones was in use throughout the province. Service is provided by three companies: British Columbia Telephone Company (99 per cent of the total), Northwest Telecommunications Incorporated and the City of Prince Rupert Municipal Telephone Department.

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Table 1.1

Summary Table of Economic Activity for British Columbia

	Units	1978	1979	1980	1981	Change 1980–1981
						(per cent)
Annual aggregate indicators						
Population	thousands	2,530.1	2,571.2	2,640.1	2,710.6	2.7
Gross domestic product (at market prices)	$ millions	27,950	32,433	36,352	41,119[1]	13.1
Personal disposable income	$ millions	18,459	20,841	23,759	N/A	N/A
Business capital investment	$ millions	3,746	4,947	6,254	7,293	16.6
Business incorporations	number	15,215	17,616	21,380	23,368	9.3
Labour statistics						
Labour force	thousands	1,192	1,223	1,278	1,337	4.6
Employment	thousands	1,093	1,129	1,191	1,247	4.7
Unemployment rate	per cent	8.3	7.7	6.8	6.7	—
Prices and earnings						
Consumer price index (Vancouver)	1971 = 100	177.4	191.1	209.0	238.9	14.3
Average weekly earnings	$	301.26	327.14	363.51	407.21	12.0
Other indicators						
Manufacturing shipments	$ millions	12,223	14,628	15,878	16,534	4.1
Retail sales	$ millions	8,227	9,195	10,572	12,046	13.9
Non-residential building permits	$ millions	698	928	1,207	1,335	10.6
U.S. housing starts	thousands	2,020	1,745	1,292	1,085	−16.0
Sales of life insurance	$ millions	3,079	3,794	4,181	4,631	10.8
Commodity data						
Lumber production	million m³	29,571	30,357	28,269	24,599	−13.0
Coal production	thousand tonnes	9,093	10,584	10,156	11,689	15.1
Farm cash receipts	$ millions	583	652	746	877	17.6
Petroleum and natural gas production	$ millions	569	896	828	839	1.3
Landed value of fish products	$ millions	251	332	182	211[1]	15.9

[1] Estimate.

Table 1.2

Capital and Repair Investment

	1980[1]	1981[2]	1982[3]	Change 1980–1981	Change 1981–1982
		($ millions)		(per cent)	
Utilities	2,293.9	2,936.0	3,682.2	28.0	25.4
Housing	2,471.6	3,479.1	3,432.8	40.8	−1.3
Primary industries and construction industry	2,639.0	2,475.4	2,725.2	−6.2	10.1
Institutions and government departments	1,413.3	1,642.8	1,899.5	16.2	15.6
Manufacturing	1,977.4	2,375.5	2,097.9	20.1	−11.7
Trade, finance and commercial	1,387.2	1,668.0	1,729.0	20.2	3.7
Total	12,182.4	14,576.8	15,566.6	19.7	6.8

Source: Statistics Canada Catalogue 61-205.
[1] Actuals.
[2] Preliminary actuals.
[3] Intentions.

Table 1.3

Foreign Exports of Major British Columbia Products[1]

	1971	1980	1981	Change 1980–1981
		($ millions)		(per cent)
Lumber	650.7	2,461.1	1,911.0	−22.4
Pulp	386.3	1,898.4	1,709.3	−10.0
Coal	29.6	515.3	730.9	41.8
Newsprint	186.2	530.0	526.0	−0.8
Fish products	64.7	274.8	373.3	35.8
Natural gas	45.8	465.4	501.4	7.7
Aluminum ingots	111.1	441.7	403.8	−8.6
Copper ore and ingots	126.2	428.8	358.1	−16.5
Cedar shingles and shakes	43.3	168.1	159.0	−5.4
Molybdenum concentrates	43.8	297.4	233.7	−21.4
Zinc ore and ingots	47.2	144.8	168.2	16.2
Plywood (softwood)	33.8	126.0	110.3	−12.5
Paper (except newsprint)	19.9	135.6	113.9	−16.0
Lead ores and ingots	28.7	75.5	60.3	−20.1
Trucks	17.1	57.8	80.9	40.0
Paperboard	14.0	106.4	91.2	−14.3
Chemical fertilizers	35.0	60.7	30.8	−49.3
Electricity	1.5	41.7	218.7	424.5
Logs, poles, and pulpwood	20.2	75.6	62.1	−17.9
Pulpwood chips	14.2	77.9	87.0	11.7
Asbestos	19.9	84.0	81.8	−2.6
Apples	6.5	24.6	29.2	18.7
Prefabricated buildings and parts	1.8	8.0	8.9	11.3
Alcoholic beverages	16.0	12.4	12.5	0.8
All other products	226.5	1,141.8	1,090.4	−4.5
Total	2,190.0	9,653.8	9,152.7	−5.2

---

[1] Estimated through all Canadian customs ports.

Table 1.4

Exports of British Columbia Products to the United States, Japan, United Kingdom and Other European Common Market Countries

	United States				Japan			
	1971	1980	1981	Change 1980–1981	1971	1980	1981	Change 1980–1981
	($ millions)			(per cent)	($ millions)			(per cent)
Lumber	517.8	1,367.2	1,134.2	− 17.0	36.2	501.6	364.1	− 27.4
Shakes and shingles	42.6	164.7	154.3	− 6.3	—	0.1	0.1	0.0
Wood pulp	148.7	463.6	422.4	− 8.9	53.5	384.8	323.2	− 16.0
Newsprint paper	141.7	417.7	408.7	− 2.2	2.6	2.7	3.5	29.6
Other paper and paperboard	6.2	19.3	22.1	14.5	0.4	32.6	24.8	− 23.9
Aluminum ingots	51.0	81.1	89.8	10.7	41.4	171.6	208.8	21.7
Zinc ingots	22.8	76.5	95.5	24.8	0.4	0.2	—	− 100.0
Lead ingots	13.3	25.6	29.2	14.1	—	1.7	1.2	− 29.4
Copper concentrates	5.4	1.9	—	− 100.0	120.8	283.5	257.7	− 9.1
Molybdenum concentrates	—	10.8	11.6	7.4	8.6	94.9	57.7	− 39.2
Natural gas	45.8	465.4	501.4	7.7	—	—	—	—
Coal	—	0.1	2.9	2,800.0	26.5	393.2	491.1	24.9
Fish products	16.7	39.5	45.6	15.4	7.1	72.1	131.8	82.8
Iron ore and concentrates	—	0.5	0.1	− 80.0	16.8	8.0	10.3	28.8
Others	233.2	1,018.5	1,136.8	11.6	45.5	234.9	238.0	1.3
Total	1,245.2	4,152.6	4,054.6	− 2.4	359.8	2,181.9	2,112.3	− 3.2

	United Kingdom				Other European Common Market Countries			
	1971	1980	1981	Change 1980–1981	1971	1980	1981	Change 1980–1981
	($ millions)			(per cent)	($ millions)			(per cent)
Lumber	38.8	169.1	126.5	− 25.2	26.3	238.4	118.8	− 50.2
Plywood	20.5	49.2	54.1	10.0	11.7	67.0	48.0	− 28.4
Wood pulp	35.5	110.5	92.4	− 16.4	110.2	672.7	596.6	− 11.3
Paper and paperboard[1]	20.8	63.5	56.3	− 11.3	3.7	64.5	57.6	− 10.7
Copper concentrates and ingot	—	55.5	29.1	− 47.6	—	9.0	10.2	13.3
Aluminum ingots	—	—	—	—	3.9	—	—	—
Zinc ingots	11.0	24.6	26.2	6.5	1.6	0.9	8.8	877.8
Lead ingots	10.0	32.2	24.6	− 23.6	2.7	5.5	2.3	− 58.2
Molybdenum concentrates	10.7	29.4	32.5	10.5	21.9	155.3	126.3	− 18.7
Asbestos fibres	2.6	10.3	11.2	8.7	0.8	15.7	10.8	− 31.2
Canned salmon	13.3	39.3	57.6	46.6	4.5	14.7	16.5	12.2
Apples	0.2	0.5	6.8	1,260.0	—	0.1	1.2	1,100.0
Others	10.4	41.8	36.7	− 12.2	24.7	154.3	157.4	2.0
Total	173.8	625.9	544.0	− 11.5	212.0	1,398.1	1,154.5	− 17.4

---

[1] Includes newsprint.

Table 1.5

Exports of Forest and Mineral Products to Major Countries

	Forest Products				Minerals[1]			
	1971	1980	1981	Change 1980–1981	1971	1980	1981	Change 1980–1981
		($ millions)		(per cent)		($ millions)		(per cent)
United States	884.2	2,569.3	2,282.6	−11.2	181.2	1,007.1	962.4	−4.4
Japan	107.2	1,017.6	799.8	−21.4	225.0	1,042.0	1,113.4	6.9
United Kingdom	115.7	393.8	331.8	−15.7	36.3	169.7	134.4	−20.8
Other European Common Market countries	148.9	1,050.0	827.8	−21.2	42.9	232.7	210.7	−9.5
Australia	37.8	161.0	135.4	−15.9	2.3	15.9	16.4	3.1
Other countries	82.1	466.8	472.4	1.2	32.2	469.8	457.3	−2.7
Total	1,375.9	5,658.5	4,849.8	−14.3	519.9	2,937.2	2,895.1	−1.4

---

[1] Includes metals in ores and concentrates (iron, lead, zinc, copper, molybdenum, etc.); coal, crude petroleum and natural gas; crude non-metallic minerals (asbestos, clays, sand and gravel, sulphur, limestone, etc.); refined non-ferrous metals (lead, zinc, silver, aluminum, etc.) and petroleum and coal products (butane, pentane, fuel oil, gasoline, etc.).

Table 1.6

Imports by Commodity Group Through British Columbia Customs Ports

	1971	1980	1981	Change 1980–1981
		($ millions)		(per cent)
Food, feed, beverages and tobacco	183.4	872.8	907.3	4.0
Metals in ores, concentrates and scrap	59.7	251.0	276.8	10.3
Other crude materials[1]	29.0	187.2	223.1	19.2
Fabricated materials				
iron, steel and alloys	84.4	387.3	552.7	42.7
chemicals, petroleum and coal products	47.1	202.3	218.5	16.2
wood products, pulp, paper and paperboard	43.6	176.7	272.9	54.4
textile fabricated materials[2]	20.2	46.6	53.9	15.7
other fabricated materials		267.2	360.9	35.1
Machinery, transportation and other equipment and tools	674.2	3,236.8	4,268.9	31.9
Personal and household goods[3]	62.5	261.0	323.0	23.8
All other products[4]	136.1	410.9	529.1	28.8
Total	1,340.2	6,299.8	7,987.1	26.8

---

[1] Includes inedible animal and vegetable products; wood; textile and related fabrics; coal and petroleum products.

[2] Includes leather and rubber fabricated materials; oils, fats, waxes and derivatives; metal fabricated materials (excluding machinery and tools) and structural materials.

[3] Includes wearing apparel and accessories; house furnishings and utensils; toys, games and sporting goods; toiletries; jewellery and silverware.

[4] Includes magazines and newspapers; office supplies; photographic goods; firearms; medicinal and pharmaceutical products and special transactions.

Table 1.7

Total Imports Through British Columbia Customs Ports by Major Countries

	1971		1980		1981		Change in Value 1980–1981
	($ millions)	Per cent of total	($ millions)	Per cent of total	($ millions)	Per cent of total	(per cent)
United States	668.5	49.9	3,219.6	51.1	3,770.3	47.4	17.1
Japan	358.3	26.7	1,615.5	25.6	2,439.6	30.7	51.0
Australia	51.8	3.9	207.9	3.3	197.8	2.5	−4.9
United Kingdom	51.5	3.8	120.5	1.9	124.6	1.6	3.4
Other European Common Market countries[1]	63.3	4.7	250.9	4.0	351.9	4.4	40.3
Other countries	146.8	11.0	885.5	14.1	1,069.3	13.4	20.8
Total	1,340.2	100.0	6,299.9	100.0	7,953.5	100.0	26.3

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[1] Ireland, Denmark, Belgium, Luxembourg, France, Germany (Federal Republic), Netherlands, Italy, Greece. (Figures prior to 1981 revised to include Greece.)

TABLE 2.1

Statement of Provincial Government Investment in Shares of Crown Corporations at March 31, 1982

	$
British Columbia Cellulose Company	2
British Columbia Development Corporation	42,500,000
British Columbia Ferry Corporation	5,849,700
British Columbia Place Ltd.	1
British Columbia Railway Company	1
British Columbia Steamship Company (1975) Ltd.	5
Housing Corporation of British Columbia	1
Pacific Coach Lines Ltd.	2
Provincial Rental Housing Corporation	633,511
Surrey Farm Products Investments Limited	1
	48,983,224

TABLE 2.2

Statement of Provincial Government Loans to, and Advances due from, Crown Corporations at March 31, 1982

	$
British Columbia Buildings Corporation	178,149,342
British Columbia Development Corporation	30,060,048
British Columbia Educational Institutions Capital Financing Authority	1,110,067
British Columbia Ferry Corporation	3,289,072
British Columbia Harbours Board	10,000,000
British Columbia Housing Management Commission	4,609,474
British Columbia Hydro and Power Authority	16,393,974
British Columbia Petroleum Corporation	56,901,204
British Columbia Place Ltd.	72,789,097
British Columbia Railway Company	99,296,313
British Columbia School Districts Capital Financing Authority	6,753
British Columbia Systems Corporation	2,844,246
Insurance Corporation of British Columbia	7,986
Medical Services Commission of British Columbia	359,215
Provincial Rental Housing Corporation	31,224,020
Urban Transit Authority	90,000,000
Workers' Compensation Board of British Columbia	1,518,128
Other agencies	1,382,115
	599,941,054

Table 2.3

Provincial Government Investments, Loans and Repayable Advances

---

Provincial Government Investments

Provincial government investments in provincial Crown corporations, agencies and other enterprises at March 31, 1982 totalled $48.9 million, as follows:

- British Columbia Development Corporation, $42.5 million for the entire issued capital stock of 425,000 common shares,
- British Columbia Ferry Corporation, $5.8 million for the entire issued capital stock of 58,497 shares,
- Provincial Rental Housing Corporation, $.6 million for the entire issued capital stock of three shares,
- British Columbia Railway Company, $1 for the entire issued capital stock of 1,855,729 shares (written down from $185.6 million at March 31, 1980),
- British Columbia Steamship Company (1975) Limited, $5 for the entire issued capital stock of five common shares,
- Pacific Coach Lines Limited, $2 for the entire issued capital stock of two common shares,
- Surrey Farm Products Investments Limited (formerly Panco Poultry Limited), $1 for the entire issued capital stock comprising 101,750 common and 11,027 preferred shares,
- British Columbia Cellulose Company, $2 for the entire issued capital stock of two common shares,
- Housing Corporation of British Columbia, $1 for the entire issued capital stock of 1,355,084 common shares, and
- British Columbia Place Ltd., $1 for the entire issued capital stock of one common share.

Loans and Repayable Advances

Provincial government loans and repayable advances to provincial Crown corporations and enterprises at March 31, 1982 totalled $599.9 million, as follows:

- British Columbia Buildings Corporation, $178.1 million,
- British Columbia Railway Company, $99.3 million,
- Urban Transit Authority, $90.0 million,
- British Columbia Place Ltd., $72.8 million,
- British Columbia Petroleum Corporation, $56.9 million,
- Provincial Rental Housing Corporation, $31.2 million,
- British Columbia Development Corporation, $30.1 million,
- British Columbia Hydro and Power Authority, $16.4 million,
- British Columbia Harbours Board, $10.0 million,
- British Columbia Housing Management Commission, $4.6 million,
- British Columbia Ferry Corporation, $3.3 million,
- British Columbia Systems Corporation, $2.8 million,
- Workers' Compensation Board of British Columbia, $1.5 million,
- British Columbia Educational Institutions Capital Financing Authority, $1.1 million,
- Medical Services Commission, $.4 million, and
- Other Crown corporations and agencies, $1.5 million.

Table 2.4

Summary of Activity in Special Purpose Funds

The following table summarizes activity in the Special Purpose Funds from their commencement to March 31, 1982. Under legislation enacted in June 1982, most of the Special Purpose Funds balances were returned to the General Fund of the province effective April 1, 1982. Authority to make expenditure on the purposes for which the funds were created, is continued in most cases up to the limit of the balances in the funds at March 31, 1982.

Perpetual Funds

Perpetual funds, from which the annual interest earnings can be expended, are as follows:

- The British Columbia Cultural Fund (1967) has paid a total of $27.2 million since inception toward the encouragement of community cultural activities.
- The First Citizens' Fund (1968) has contributed a total of $24.1 million toward the cultural, educational and economic advancement of British Columbia native Indians.
- The Physical Fitness and Amateur Sports Fund (1968) has disbursed a total of $24.6 million to increase government support of amateur sport and activity groups.

Other Funds

Other funds from which the principal, and in some cases the annual interest earnings, can be expended were as follows:

- The Agricultural Land Development Fund (1981) was set up to provide farmers with loans for clearing of agricultural lands and upgrading of irrigation facilities.
- The Barkerville Historic Park Development Fund (1980) was established to finance renovations and capital projects at this Cariboo gold rush site. An amount of $5 million was allocated for these purposes.
- The British Columbia Place Fund (1980) has provided $15 million capital for site establishment, planning and development. In the first two years of the fund's operation, $15.7 million was spent on the British Columbia Place project which will develop the north shore of False Creek, in the City of Vancouver, and includes the construction of a 60,000-seat stadium. There was a zero fund balance at March 31, 1982.
- The Crop Insurance Stabilization Fund (1967) was established to give financial stability to various plans set up to insure agricultural producers against crop loss or damage.
- The Crown Land Fund (1979) includes all assets of the former Housing Fund and the assets of the Housing Initiative Program (*see* Chapter 5: Housing Programs). The fund balance at March 31, 1982 was $336.6 million, consisting of cash and investments of $56.3 million, recoverable advances and accounts receivable of $26.8 million, mortgages receivable of $149.4 million, real estate (including development and construction in progress) of $68.3 million and investments in, and advances to, the Provincial Rental Housing Corporation and British Columbia Housing Management Commission of $35.8 million.
- The Downtown Revitalization Fund (1980) of $25 million was established to provide aid to municipalities for the provision of public facilities in designated downtown improvement areas. Grants are also paid to private owners to reduce interest costs incurred in restoring building exteriors in these areas.
- The Drug, Alcohol and Cigarette Education, Prevention and Rehabilitation Fund (1971) has disbursed a total of $19.1 million.

Table 2.4

Summary of Activity in Special Purpose Funds—*Continued*

- The Elderly Citizens' Housing Aid Fund provides grants to non-profit societies for construction of housing for senior citizens with low incomes. Prior to 1980/81 the fund was recorded as a trust fund. The balance of the fund was returned to the general fund in 1981/82.
- The Energy Development Fund (1980) was established with $10 million to provide funding for research and development through the Energy Development Agency. The agency seeks to develop technology related to energy supplies, alternate fuels and conservation.
- The Farm Income Assurance Fund has allocated $211.8 million since the 1973/74 fiscal year to provide a guaranteed annual income for farmers. Producer premium income to March 31, 1982 totalled $98 million. Expenditure in the 1981/82 fiscal year was $71.6 million. The fund had a zero balance at March 31, 1982.
- The Farm Products Industry Improvement Fund (1973) encourages and assists the continued development and expansion of the provincial agricultural industry.
- The Ferries Insurance Fund is a self-insurance fund established to protect the British Columbia Ferry Corporation fleet in the event of an accident. Only two such accidents have occurred since the fund was established in 1970/71. Prior to 1980/81 this fund was recorded as a trust fund. The balance of the fund was returned to the general fund in 1981/82.
- The Forest and Range Resource Fund (1980) was established with $146.6 million to ensure continuity of funding for enhanced management of the forest, range and recreational resources of the province. In the first two years of the fund's operation, $62.5 million was spent for this purpose.
- The Fraser River Crossing Fund (1980) was set up with $30 million to provide funding for the costs of a crossing of the Fraser River in the vicinity of Annacis Island. Expenditure in 1981/82 was $21.9 million.
- The Industrial Development Subsidiary Agreement Loan Repayment Revolving Fund (1982) accepts principal and interest repayments on industrial loans for reinvestment in future new loans. The fund balance at March 31, 1982 was $17.6 million.
- The Lottery Fund (1974) was established with British Columbia's participation in the Western Canada Lottery Foundation. Net proceeds to the province from sales of tickets in British Columbia are used for cultural, recreational and sport purposes. In 1981/82, $2.6 million was paid on behalf of the British Columbia Cultural Fund and $2.3 million to the Physical Fitness and Amateur Sports Fund. The British Columbia Heritage Trust received $1.8 million, while almost $3 million was spent to promote health care research. Direct grants of $6.7 million were made to organizations in British Columbia. Administrative costs charged to the fund were $1.3 million.
- The Lower Mainland Stadium Fund (1979) was established with an initial $50 million allocated from the General Fund to provide a sports centre or stadium for professional and amateur sports and events. The entire amount had been spent on this project by March 31, 1982.
- The Provincial Computerization of Libraries Fund (1980) was established with $3 million to assist public libraries in the province to institute automated cataloguing and circulating systems.

Table 2.4

Summary of Activity in Special Purpose Funds—*Continued*

- The Provincial Home Acquisition Fund (1967) was increased in 1981/82 by interest earnings of $46.5 million, and was reduced by grant payments of $18.5 million, interest rebates of $1.0 million, payments for life insurance on second mortgages of $.1 million and miscellaneous expenses of $1.8 million. The fund balance at March 31, 1982 was $342 million. Since the fund was established in 1967, allocations from the General Fund have totalled $236 million. Mortgages and grants that have been issued are shown in the table below.

Provincial Home Acquisition Fund

	Number	Value ($ millions)
Second mortgage loans	117,971	460.7
Home acquisition grants	166,551	147.3
Leasehold and conversion mortgages	928	23.6
Total	285,450	631.6

At March 31, 1982, mortgages outstanding totalled $149.4 million. Loans issued in 1981/82 were $9.3 million. Principal repayments totalled $20.9 million; statutory remissions, $.2 million, and uncollectable loans written off, $.1 million.

- The North East Coal Development Fund (1980) was created with a transfer of $20 million from the General Fund. In 1981/82, $2.6 million was spent on the provincial share of the coal development in northeast British Columbia.
- The Revenue Sharing Fund was established by the *Revenue Sharing Act* (1977) to allocate a specific share of provincial revenue for payment of grants to municipalities and regional districts. Revenue of $213.8 million was allocated in 1981/82. Conditional and unconditional grants paid to local governments totalled $211.0 million (*see* Chapter 3: Provincial/Local Relations).
- The Urban Transit Fund (1980) was established with $55 million to assist in the sharing of capital expenditure of urban transit systems. The fund was fully expended by March 31, 1982.

Table 2.5

Tax Rate Changes, 1981 and 1982 (to August 1)

(1) The *Income Tax Act* (British Columbia) was amended effective January 1, 1981 to provide to individuals a refundable tax credit of the amount that 3 per cent of personal exemptions exceeds 1.5 per cent of taxable income. A 10 per cent surtax is also imposed on that portion of provincial income tax payable in excess of $3,500.

(2) The British Columbia corporation income tax rate applicable to small business was reduced from 10 per cent to 8 per cent, with amendments to the *Income Tax Act* (British Columbia). For corporations not qualifying as small businesses, the rate was increased from 15 per cent to 16 per cent. In both cases the new rates apply to corporation income earned after December 31, 1980.

(3) The *Social Service Tax Act* was amended effective March 9, 1981, raising the basic tax rate from 4 to 6 per cent on all purchases of tangible personal property in British Columbia. The amendments added fixtures as tangible personal property, but also added new exemptions, including yard goods and clothing patterns, work-related safety equipment that is designed to be worn, bicycles, weather-stripping and caulking material designed to prevent heat loss, specialized transportation devices designed to transport the handicapped, natural gas and propane conversion kits for internal combustion engines and residential-use fire alarms under $50. The tax rate on sales of liquor remains at 7 per cent, unless purchased in licensed premises where the 6 per cent rate applies.

(4) The *Social Service Tax Act* was also amended effective midnight April 5, 1982 to extend the list of items which farmers may purchase tax exempt for use in farm production.

(5) The variable rates of social service tax applicable to sales of new automobiles and station wagon vehicles continue at new rates, based on fuel efficiency. Vehicles which attain a Transport Canada fuel consumption rating of 8.5 litres per 100 kilometres or less are now subject to tax at 4 per cent. Those with ratings between 8.5 and 11.3 litres are taxed at the general rate of 6 per cent, while those with a rating of 11.3 or more litres are taxed at 8 per cent. These rates do not apply to four-wheel drive vehicles, jeeps, vans, light trucks, motor homes or recreation vehicles, which are taxed at 6 per cent.

(6) The fuel oil tax of one-half cent per gallon imposed on heating oil was repealed effective midnight March 11, 1980, and consequential amendments to the *Social Service Tax Act* exempted all purchases of fuel oil from provincial retail sales tax. This exemption remains in effect for fuel oil used in residential dwellings. However, effective midnight March 9, 1981, fuel oil used for all business and commercial uses is subject to retail sales tax at 6 per cent while fuel oil used to propel steamships is taxed under the *Gasoline (Coloured) Tax Act*.

(7) The *Hotel Room Tax Act* was amended effective midnight March 9, 1981 so that the purchase price of accommodation, when less than $50 per day per unit, is subject to a 6 per cent tax. Sales of accommodation at $50 or more per day per unit, are taxed at 8 per cent. The exemption from tax applies to units selling at less than $10 per day per unit, raised from $4.

(8) The *Gasoline Tax Act*, the *Gasoline (Coloured) Tax Act* and the *Motive Fuel Use Tax Act* were amended, implementing an *ad valorem* basis of calculating petroleum fuel taxes. The tax rates are adjusted quarterly. The tax rate for clear gasoline is established by formula at a rate that approximates 20 per cent of the retail price before provincial taxes. Tax rates for other fuels are set in relation to the clear gasoline tax rate. Rebates to persons qualifying as handicapped increased from 2.64 cents per litre to the full amount of fuel tax paid, effective on purchases after March 9, 1981.

(9) The *Gasoline Tax Act* was also amended effective midnight April 5, 1982 to exempt from taxation compressed natural gas and propane used to propel motor vehicles.

(10) The *Tobacco Tax Act* was amended so that the tax rate on cigarettes and loose tobacco are adjusted semi-annually, based on an index of Vancouver cigarette prices. Cigars having a retail selling price of 50 cents or more are now taxed at 55 per cent.

(11) The *Taxation (Rural Area) Act* was amended to enable owners of land classified as a farm to pay their property taxes at any time up to October 31 without incurring the 5 per cent penalty addition otherwise due if payment is made after July 2 (July 15 in 1982 only).

(12) The *Taxation (Rural Area) Act* was also amended to increase the tax rate on land defined as rural under the act from 10 mills to 12 mills for 1982 and subsequent taxation years.

(13) The *Corporation Capital Tax Act* was amended effective May 1, 1982 to increase the tax rate applicable to chartered banks from 0.8 per cent to 2.0 per cent if the bank's total taxable capital exceeds $500 million.

Table 2.6

Comparative Provincial Tax Rates, July 15, 1982

Tax	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Personal income (per cent of basic federal tax)	44[1]	38.5	51[1]	54[1]	48	(2)	55.5	56.5	52.5	60
Corporation income (per cent of taxable income)										
General rate	16	11	14	15	14[3]	8[4]	14	15	10	16
Small business rate	8	5	10	10	*Nil*[3]	3	9	10	10	12
Corporation capital (per cent of taxable paid-up capital)										
Non-financial corporations	0.2	*Nil*	0.3	0.2	0.3	0.45	*Nil*	*Nil*	*Nil*	*Nil*[6]
Trust companies	0.6	*Nil*	0.8	0.6	0.6	0.9	*Nil*	*Nil*	*Nil*	1.5
Banks	2.0	*Nil*	0.8	2.0	0.8	0.9[5]	*Nil*	*Nil*	*Nil*	1.5
Insurance premiums (per cent)[7]	2	2	2	3	2	2	2	3	2	2
Gasoline										
Per cent of retail price	20	*Nil*	*Nil*	20	20	40	16	20	22	22
Cents per litre at July 15, 1982	6.54	*Nil*	*Nil*	6.4	6.7	13.0	5.7	7.8	8.9	8.5
Diesel fuel										
Per cent of retail price	(8)	*Nil*	*Nil*	(8)	27	40	23	21	29	26
Cents per litre at July 15, 1982	6.98	*Nil*	*Nil*	7.3	8.5	12.6	8.1	7.5	11.1	10.1
Retail sales										
General rate (per cent)	6	*Nil*	5	5	7	9[10]	8	10	10	11
Liquor (per cent)	7[9]	*Nil*	10	10	10	9[10]	8	10	37.5[11]	11
Meals (per cent)	*Nil*	*Nil*	*Nil*	5	7	10	8	10	10	11
Accommodation (per cent)	6[12]	*Nil*	*Nil*	5	5	*Nil*	8	10	10	11
Tobacco (cents per package of 25 cigarettes)	37[13]	8	38	45	46[13]	46.5[13]	44[13]	35	27.5	75

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[1] British Columbia has a 10 per cent surtax on provincial tax in excess of $3,500. Saskatchewan has a 12 per cent surtax on provincial tax in excess of $4,000. Manitoba has a 20 per cent surtax on provincial tax in excess of $2,715.

[2] Quebec levies its own personal income tax which has an approximate range of 50 to 60 per cent of federal tax.

[3] In Ontario, a 13 per cent corporation income tax rate applies to taxable income derived from manufacturing and processing, mining, logging, farming and fishing operations. Small businesses are exempt from taxation until January 1, 1984.

[4] The Quebec corporation income tax rate is to be reduced to 5.5 per cent effective January 1, 1983.

[5] The Quebec corporation capital tax rate on banks not participating in the Quebec government home mortgage program is 1.2 per cent until July 1, 1985.

[6] While the Newfoundland corporation capital tax applies to all corporations, all corporations with the exception of banks and trust companies are exempted.

[7] Most provinces levy an additional one per cent tax on fire insurance premiums to fund the office of the provincial fire commissioner.

[8] In British Columbia, the tax rate on diesel fuel is equal to the tax rate on gasoline plus 0.44 cents. In Manitoba, diesel fuel is taxed at the rate of 20 per cent of its determined price which is equal to 1.15 per cent of the determined price of gasoline. Manitoba has suspended all advalorem adjustments on gasoline and diesel fuel until March 31, 1983.

[9] The British Columbia social service tax rate for liquor sold in licensed premises is 6 per cent.

[10] A 1 per cent increase in Quebec retail sales tax from 8 per cent to 9 per cent is temporarily in effect until March 31, 1983.

[11] In Prince Edward Island, liquor is taxed under the *Health Tax Act* at 25 per cent and under the *Retail Sales Act* at 10 per cent resulting in a compound tax rate of 37.5 per cent.

[12] In British Columbia, rooms costing $50 or more per night are taxed at 8 per cent.

[13] In British Columbia, the tax on cigarettes is indexed to reflect changes in the retail price. In Ontario, Quebec, New Brunswick and Newfoundland tax rates of 40, 50, 35 and 53 per cent respectively are applied to a determined retail price. The other provinces tax cigarettes by a set amount which cannot be adjusted without a legislative amendment. In Prince Edward Island and Newfoundland, tobacco products are also subject to retail sales tax.

Table 2.6

Comparative Provincial Tax Rates, July 15, 1982—*Continued*

Tax	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Amusements/Entertainment (per cent)	*Nil*	*Nil*	City levy	City levy	10	10[14]	11	10	10	City levy
Horse racing betting (per cent)[15]	7	5	10	7.5 to 12.5	7 to 9	5.5 to 12.5	11	11	8.5 to 15.5	11
Hospital Insurance/ Medical Services (annual premiums or taxes)	$180 single $336 couple $348 family	$114 single $228 family	*Nil*	Payroll tax of 1.5 per cent on all wages and salaries	$324 single $648 family	Payroll tax of 3 per cent on all wages and salaries	*Nil*	*Nil*	*Nil*	*Nil*
Passenger vehicle licence fees										
Range ($)	23–80	20–30	15–75	15–150	30–80[16]	32–277	24–65	24–110	23–55	48–65
Chevrolet Citation ($)	29	20	15	16	45	42	25	36	26	48

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[14] In Quebec, the entertainment tax is collected by the province for municipal governments.

[15] In all provinces except Quebec, tax is levied on bets placed. In Quebec, tax is levied on winnings. In most provinces a portion of total tax collected is returned to the horse breeding industry.

[16] In Ontario, a flat rate structure will apply to the 1983 registration year. Passenger vehicles will be registered at a cost of $24 per year in northern Ontario and $48 per year in southern Ontario.

Table 2.7

Provincial Taxes

Type	Title and Statutory Reference	Tax Base	Tax Rate	Characteristics
Income	*Income Tax Act* (R.S.B.C. 1979, c. 190; 1980, c. 12, s. 7; 1980, c. 50, s. 46; 1981, c. 6; 1982, c.18)	Net income: (1) Corporation	16% of taxable income (8% for small businesses)	Collected under agreement by Revenue Canada—Taxation.
		(2) Personal	44% of basic federal tax payable; 10% surtax on British Columbia tax in excess of $3,500	Reduction of tax where taxable income is $2,890 or less in 1982; refundable Provincial Personal Income Tax credit where 3% of personal exemptions exceed 1.5% of taxable income; Renters' Tax Credit equal to $150 less 1.5% of taxable income; other non-refundable tax credits for claim against personal and corporate income tax include: Logging Tax Credit, Provincial Political Contributions Tax Credit and Provincial Royalty Tax Rebate.
Capital	*Corporation Capital Tax Act* (R.S.B.C. 1979, c. 69; 1980, c. 4; c. 36, s. 16; 1982, c. 6; c. 43, s. 8)	Taxable paid-up capital of $1,000,000 or more; graduated rate effective for paid-up capital between $1,000,000 and $1,250,000	General: ⅕ of 1% Banks: 2 per cent if taxable capital exceeds $500 million; ⅘ of 1 per cent if taxable capital is less than $500 million Trust Companies and Loan Companies: ⅗ of 1%	Exemptions—Corporations with paid-up capital under $1,000,000, credit unions, co-operatives, self-owned apartment corporations, corporations exempt under section 149 (1) of *Income Tax Act* (Canada), family farms.
Inheritance (repealed)	*Succession Duty Act*			
Probate (repealed)	*Probate Fee Act*			
Gift (repealed)	*Gift Tax Act*			
Retail sales	*Social Service Tax Act* (R.S.B.C. 1979, c. 388; 1980, c. 52; c. 10, s. 119; c. 49, s. 12; 1981, c. 8; c. 29; c. 15, s. 159, 160; 1982, c. 39)	Purchase price of tangible personal property	General rate 6% Liquor 7% New automobiles 4%, 6% or 8%	Collected through vendors registered under the act, and (or) paid by purchaser; provides for exemptions on restaurant meals and food for human consumption, coal and coke, fuels taxed under other acts, specified farm implements and machinery when purchased by a *bona fide* farmer, fishing boats and equipment when purchased by a *bona fide* commercial fisherman, water, prescribed medicaments, vitamins and dietary supplements, diabetic and ostomy supplies, hearing-aids, dentures, specified equipment for cripples and invalids, prescribed dental and optical appliances, insulation materials, specified catalysts and direct agents, agricultural feeds, seeds, fertilizers, insecticides, etc., sales at less than 15¢, ships of more than 500 tons, children's clothing and footwear, books, periodicals and magazines, specified school supplies, candies and soft drinks, tobacco products taxable under the *Tobacco Tax Act*, certain energy conservation equipment, patent medicines, residential telephone services, long distance telephone charges, telecommunication services, cablevision, electricity, natural gas and fuel oil purchased for residential use, used mobile homes, yard goods and patterns, work-related safety equipment designed to be worn, bicycles, transporting devices for the handicapped, smoke alarms.

Table 2.7

Provincial Taxes—*Continued*

Type	Title and Statutory Reference	Tax Base	Tax Rate	Characteristics
				The *Social Service Tax Act* provides for variable rates of tax for purchases of new automobiles and station wagons dependent on Transport Canada's fuel consumption rating. Tax rates are as follows: Vehicles with a rating of 8.5 litres/100 km or less .... 4% Vehicles with a rating of 8.6 litres/100 km but less than 11.3 litres/100 km .... 6% Vehicles with a rating of 11.3 litres/100 km or greater .... 8%.
Accommodation	*Hotel Room Tax Act* (R.S.B.C. 1979, c. 183; 1981, c. 5, s. 31, 32; c. 15, s. 103; 1982, c. 10, s. 12–22)	Purchase price of accommodation	6%; 8% where $50 or more per day, per unit	Exemptions include accommodations over a two-month period; charges of $10 or less per day; charitable institutions; and trailer parks and campsites.
Tobacco	*Tobacco Tax Act* (R.S.B.C. 1979, c. 404; 1981, c. 5, s. 55–57; c. 15, s. 164; 1982, c. 29)	By cigarette, cigar retail price, and weight on other tobacco products	37/25¢ per cigarette; 2¢ to 24¢ per cigar, 55% of retail price on cigars of more than 49¢; 8½¢ per ½ oz. of tobacco (or 15½¢ for 25 grams)	Tax rates on cigarettes and tobacco adjusted semi-annually, based on Vancouver consumer price index subcomponent for tobacco products.
Motor fuel	*Gasoline Tax Act* (R.S.B.C. 1979, c. 152; 1980, c. 12, s. 3; 1981, c. 5, s. 16–20; 1982, c. 13)	Per litre	Gasoline 6.54¢ Aircraft fuel 3.90¢	Refunds available in specific circumstances defined in the Act and regulations. All quoted tax rates effective July 1 to October 1, 1982. Rates adjusted quarterly. Gasoline tax rate adjusted to equal 20% of Vancouver retail price less provincial taxes. Exact formula in S.B.C. 1981, c. 5. Aviation fuel tax rate to equal prevailing gasoline tax rate less 2.64¢ per litre; liquid petroleum and natural gas rates to equal gasoline tax rate less 1.10¢ per litre. Handicapped eligible for 100% rebate of gasoline tax. Compressed natural gas and propane used to propel motor vehicles exempt.
	Gasoline (Coloured) Tax Act (R.S.B.C. 1979, c. 151; 1980, c. 50, s. 44; 1981, c. 5, s. 9–15; c. 21, s. 23, 24; 1982, c. 10, s.4–6)	Per litre	3.90¢	Fuels coloured purple may be used for a variety of specific primary production and industrial purposes. Tax rate readjusted quarterly to prevailing clear gasoline tax rate less 2.64¢ per litre. Family farms and commercial fishermen eligible for lower tax rates on coloured gasoline and motive fuels, adjusted quarterly to prevailing clear gasoline tax rate less 3.74¢ per litre. Natural gas used for operating pipeline compressor stations taxed at 1.1¢ litre; not adjusted quarterly.
	Motive Fuel Use Tax Act (R.S.B.C. 1979, c. 285; 1980, c. 12, s. 12; 1981, c. 5, s. 42, 43; 1982, c. 20)	Per litre	6.98¢	Applies to any fuel except gasoline, natural gas, propane and butane used in a motor-vehicle on a highway. Refunds available in specific circumstances defined in the Act and regulations. Tax rate adjusted quarterly to prevailing gasoline tax rate plus 0.44¢ per litre. Handicapped eligible for 100% rebate of tax.
Race-meetings	*Horse Racing Tax Act* (R.S.B.C. 1979, c. 175; 1980, c. 19; 1982, c. 10, s. 9–10)	Horse racing betting pool	7%	3.5% of tax paid to increase purses, maintain a breeders incentive fund, and make grants for breeders societies, operation of race courses and horse racing meets, and equine health research. Net rate to province is 3.5%.

Table 2.7

Provincial Taxes—*Continued*

Type	Title and Statutory Reference	Tax Base	Tax Rate	Characteristics
Natural resources	*Logging Tax Act* (R.S.B.C. 1979, c. 248; 1981, c. 5, s. 36–38; 1982, c. 10, s. 26–27)	Net income from logging where in excess of $25,000	10% (Fully recoverable against federal and provincial corporation income tax)	Net income from logging after deducting investment and non-forestry income and a processing allowance.
	Mining Tax Act (R.S.B.C. 1979, c. 267; 1980, c. 12, s. 10–11; 1981, c. 5, s. 39–41; 1982, c. 10, s. 28–29)	Net income from mining operations if a person has an income exceeding the qualifying figure of $50,000	15%	Net income from mining after deducting investment and non-mining income and a processing allowance. Tax not applicable to petroleum, natural gas, or minerals taxed under the *Mineral Resource Tax Act*.
	Mineral Resource Tax Act (R.S.B.C. 1979, c. 263; 1980, c. 27; 1982, c. 43, s. 18–22)	Net income from individual mining operations (metallic minerals) other than coal, sand, gravel and certain other industrial metals. No tax on first $50,000 for unincorporated mines or partnerships	17.5%	Net income after deductions including: accelerated capital cost allowances, exploration and development expenses, depletion and processing allowances.
	Mineral Land Tax Act (R.S.B.C. 1979, c. 260; 1980, c. 35; 1981, c. 19, c. 20)	Assessed value of mineral land and production tracts	Basic undesignated mineral land; .62¢–$2.47 per hectare	Rates of tax set on sliding scale, dependent on amount and designation of land.
Insurance	*Insurance Premium Tax Act* (R.S.B.C. 1979, c. 205; 1980 c. 12, 5, 8, 9; 1981, c. 5, s. 34; 1982, c. 10, s. 24)	Direct premiums written	2%	Exemptions—Benefit societies; mutual corporations with 50% of income from farm or entirely from religious, educational, or charitable institutions; marine; approved medical or hospitalization plans; Insurance Corporation of British Columbia (basic auto insurance only).
	Fire Services Act (R.S.B.C. 1979, c. 133; 1980, c. 13; 1981, c. 15, s. 95; 1982, c. 49)	Direct premiums written for fire hazard	1%	Exemptions—Insurance Corporation of British Columbia (basic automobile insurance only).
Real Property	*Taxation (Rural Area) Act* (R.S.B.C. 1979, c. 400; 1980, c. 12, s. 17, 18; c. 18, s. 21, 22; c. 49, s. 14; 1981, c. 5, s. 52-54; 1982, c. 27–28)	Assessed value of land and improvements in rural areas (outside municipalities). Assessment determined under *Assessment Act*		For 1981, the percentages of actual value at which various classes of property were assessed are as follows: Farm 10% of value of land for farming purposes, Residential 11%, Seasonal Resort and Recreational 11%, Business 24.5%, Industrial 28.6%, Utilities 30%, Machinery and Equipment 25%, Forestry 30%, Tree Farms 60%. For 1982, the percentages are: Farms 10% of value of land for farming purposes, Residential 10%, Seasonal Resort and Recreational 10%, Business 24.5%, Industrial 34%, Utilities 35%, Machinery and Equipment 28%, Forestry 40%, Tree Farms 80%.
			Farm land (½ of 1%)	Improvements and fruit-trees exempt: land assessed at farm value.
			Rural land (1.2%)	Includes residential, commercial and industrial properties. Land and improvements taxed on full assessed values. Assessed at the percentage of actual value fixed annually by the Lieutenant Governor in Council.
			Tree-farm land (1%)	To encourage sustained-yield forestry practices on privately owned forest land, assessed value is capitalized net return.
			Timber land (1½%)	Inventory value of forest crop included in land assessment.
			Wild land (3%)	Lands without any improvements at present use.
			Forest land (1%)	Timber leases and licences outside tree-farm licences. Tax exempt if within a tree-farm licence.

Table 3.1

Major Provincial Programs for Local Government

Type	Statutory Reference	Basis	Rate	Remarks
PROVINCIAL GOVERNMENT PROPERTY				
Provincial government property grant	*Municipal Aid Act*	Assessed value of improved properties	The individual mill rate of the municipality and regional district containing the property	Assessed at commercial rate.
REVENUE SHARING				
Unconditional municipal grant	*Revenue Sharing Act*	Municipal population, expenditure and assessment	75 per cent of available funds distributed in proportion to population; 20 per cent in proportion to expenditure and assessment	Largest single source of municipal grants.
Basic municipal grant	*Revenue Sharing Act*	Municipal status	$30,000 minimum per municipality; $60,000 maximum	
Water facilities assistance	*Revenue Sharing Act*	Local area taxable capacity	75 per cent of excess annual debt-servicing cost over a basic 2½ mill real property tax levy	Assistance toward capital cost of construction of approved water facilities.
Housing growth grants	*Revenue Sharing Act*	Self-contained dwelling units and serviced mobile home sites	$10,000,000 distributed in proportion to net starts	Provided in recognition of municipal growth costs.
Major municipal highway grants	*Revenue Sharing Act*	Approved construction or acquisition costs	50 per cent of shareable costs	Designed to promote transportation networks and associated land use.
Municipal planning grants	*Revenue Sharing Act*	Approved costs for plan preparation	Two-thirds of approved costs	Annual ceiling of $2 million.
Regional district basic grant	*Revenue Sharing Act*	Regional district status	$30,000 per regional district	Reserve fund requirement where requisition revenue is less than $60,000.
Regional district administration grant	*Revenue Sharing Act*	Regional district status	$10,000 per regional district	Unconditional.
Regional district planning grant	*Revenue Sharing Act*	Size and planning program	Amount varies according to population and approved planning costs	Annual ceiling of $1 million.
Accelerated mobile home grant	*Revenue Sharing Act*	Mobile home park development	Amount varies according to closure situation, land price and model by-law compliance; maximum $1,000 per unit	Annual ceiling of $1 million.

Table 4.1

Major British Columbia Crown Corporations and Enterprises

Corporate Entity	Statutory Authority	Minister Responsible	Functions
British Columbia Assessment Authority	*Assessment Authority Act*	Minister of Finance	Assessment of all real property within the province for taxation purposes.
British Columbia Hydro and Power Authority	*Hydro and Power Authority Act*	Minister of Energy, Mines and Petroleum Resources	Generation, transmission and distribution of electricity; distribution of gas; rail freight transportation.
British Columbia Railway Company	*British Columbia Railway Act*	Minister of Industry and Small Business Development	Operation of railway.
Insurance Corporation of British Columbia	*Insurance Corporation Act*	Minister of Consumer and Corporate Affairs	Provision of automobile insurance plan and general insurance services.
British Columbia Ferry Corporation	*Ferry Corporation Act*	Minister of Transportation and Highways	Operation of coastal ferry service.
British Columbia Petroleum Corporation	*Petroleum Corporation Act*	Minister of Energy, Mines and Petroleum Resources	Purchase and resale of natural gas to raise revenue in lieu of Crown royalties.
British Columbia Development Corporation	*Development Corporation Act*	Minister of Industry and Small Business Development	Provision of assistance to industry and development of industrial land to promote economic development.
British Columbia Cellulose Company	*British Columbia Cellulose Company Act*	Minister of Industry and Small Business Development	Holding provincial ownership in Ocean Falls Corporation (non-operating pulp mill and townsite).
British Columbia Harbours Board	*Harbour Board Act*	Minister of Industry and Small Business Development	Promotion of the development of harbour facilities, access to such facilities and related industrial development.
British Columbia Steamship Company (1975) Limited	*Ministry of Transportation and Highways Act; Canada Corporations Act*	Minister of Transportation and Highways	Operation of daily summer ferry service between Victoria and Seattle, Washington.
Provincial Rental Housing Corporation	*Ministry of Lands, Parks and Housing Act; Company Act*	Minister of Lands, Parks and Housing	Holding provincial ownership in public housing units.
British Columbia Housing Management Commission	*Ministry of Lands, Parks and Housing Act*	Minister of Lands, Parks and Housing	Management of provincial and federal-provincial public housing units and administration of rent supplement programs.
British Columbia Buildings Corporation	*British Columbia Buildings Corporation Act*	Provincial Secretary and Minister of Government Services	Provision of accommodation for government ministries and certain government entities.
British Columbia Systems Corporation	*System Act*	Minister of Finance	Provision of data processing services for government ministries and certain government entities.
British Columbia School Districts Capital Financing Authority	*School District Capital Finance Act*	Minister of Finance	Provision of capital funds required by school districts.
British Columbia Regional Hospital Districts Financing Authority	*Hospital District Finance Act*	Minister of Finance	Provision of capital funds required by regional hospital districts.
British Columbia Educational Institutions Capital Financing Authority	*Educational Institution Capital Finance Act*	Minister of Finance	Provision of capital funds required by universities, colleges and institutes.
British Columbia Transit	*British Columbia Transit Act*	Minister of Municipal Affairs	Provision and maintenance of public transportation systems.
Liquor Distribution Branch	*Liquor Distribution Act*	Minister of Consumer and Corporate Affairs	Purchase and resale of alcoholic beverages.
Pacific Coach Lines Limited	*Company Act*	Minister of Municipal Affairs	Operation of inter-urban passenger bus system.
Provincial Capital Commission	*Capital Commission Act*	Minister of Finance	Beautification of the capital region.
British Columbia Place Ltd.	*British Columbia Place Act; Company Act*	Minister of Environment	Establishment, planning and development of the British Columbia Place site in Vancouver and construction of a sports stadium.
Expo 86 Corporation	*Expo 86 Corporation Act*	Minister of Consumer and Corporate Affairs	Planning, administration and hosting a 1986 world exposition on transportation in Vancouver.

Table 4.2

Long-Term Funds Provided to Provincial Crown Corporations During the Five Years Ended March 31, 1982: From Provincial Trusteed Funds, the Canada Pension Plan Investment Fund and Public and Private Issues

Provincial Crown Corporations	Fiscal year ended March 31 1978	1979	1980	1981	1982
			($ millions)		
British Columbia Hydro and Power Authority					
Canada Pension Plan Investment Fund	40.4	51.8	17.0	78.7	—
Provincial trusteed funds	475.0	425.0	550.0	100.0	—
Public issues	275.0[1]	—	—	150.0	1,335.0[2]
	790.4	476.8	567.0	328.7	1,335.0
British Columbia Railway Company					
Canada Pension Plan Investment Fund	32.0	—	41.4	—	—
Provincial trusteed funds	—	—	45.0	—	—
Private issues	—	—	—	—	18.0[2]
	32.0	—	86.4	—	18.0
British Columbia School Districts Capital Financing Authority					
Canada Pension Plan Investment Fund	93.7	91.3	88.6	64.5	99.5
Provincial trusteed funds	—	—	—	5.2	—
Private issues	—	—	—	—	11.4[2]
	93.7	91.3	88.6	69.7	110.9
British Columbia Educational Institutions Capital Financing Authority					
Canada Pension Plan Investment Fund	—	25.3	33.5	58.4	104.1
Provincial trusteed funds	—	—	1.0	—	—
Private issues	—	—	—	—	6.0[2]
	—	25.3	34.5	58.4	110.1
British Columbia Regional Hospital Districts Financing Authority					
Canada Pension Plan Investment Fund	66.2	57.0	83.8	81.5	128.1
Provincial trusteed funds	—	—	—	—	—
	66.2	57.0	83.8	81.5	128.1
British Columbia Buildings Corporation					
Canada Pension Plan Investment Fund	5.0	35.1	18.3	19.0	20.0
Provincial trusteed funds	16.0	—	—	50.0	—
Private issues	—	—	—	—	40.0[2]
	21.0	35.1	18.3	69.0	60.0
British Columbia Systems Corporation					
Canada Pension Plan Investment Fund	—	—	—	—	26.5
Private issues	—	—	—	—	13.7[2]
	—	—	—	—	40.2
British Columbia Development Corporation					
Private issues	—	—	—	—	59.9[2]
	—	—	—	—	59.9
British Columbia Ferry Corporation					
Private issues	—	—	—	—	19.9
	—	—	—	—	19.9
Totals					
Canada Pension Plan Investment Fund	237.3	260.5	282.6	302.1	378.2
Provincial trusteed funds	491.0	425.0	596.0	155.2	—
Public and private issues	275.0[1]	—	—	150.0	1,503.9[2]
	1,003.3	685.5	878.6	607.3	1,882.1

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[1] United States dollars.

[2] Foreign borrowings converted to Canadian dollars.

Table 5.1

Major Provincial Programs for People

Type	Statutory Reference	Basis	Rate	Remarks
EDUCATION PROGRAMS				
Public schools	*School Act*	Approved operating and capital costs of each school district	(a) A basic operating grant to each school district computed by deducting the product of the 1981 uniform basic levy of 41.80 mills and the taxable assessed values from the cost of an approved basic education program for 1980. The basic program is determined annually, based on enrolments, approved operating costs of the preceding calendar year and other budgetary requirements. Beginning in 1982/83, an equalization formula will be used to compute the grants (b) A capital grant not exceeding 50 per cent of those debt service costs up to the equivalent of 6 mills, plus 75 per cent of debt service costs over 6 mills and up to 12 mills, plus 90 per cent of any additional costs. Under this formula a district's share of debt service costs will not be greater than the equivalent of 4½ mills plus 10 per cent of any costs over the equivalent of 12 mills	Statutory levy on non-residential property is determined annually.
Independent schools	*School Support (Independent) Act*	Operating support grants	Based on 9 per cent (Group 1) and 30 per cent (Group 2) of the public school per pupil operating cost.	
Universities	*University Act*	Operating grants	(a) Grants for operating expenses approved on recommendation of Universities Council	
		Capital grants	(b) Full cost of servicing debt for approved capital projects and acquisition of certain equipment items	
Colleges and Provincial Institutes	*College and Institute Act*	Operating grants	(a) Grants for operating expenses approved on recommendation of the three provincial College Councils	
		Capital grants	(b) Full cost of servicing debt for approved capital projects and acquisition of minor capital items	
British Columbia Institute of Technology	*Institute of Technology Act*	Operating grants	(a) Grants for operating expenses approved on recommendation of the three provincial College Councils	
		Capital grants	(b) Full cost of servicing debt for approved capital projects and acquisition of minor capital items	
Student Aid		Need	Grants up to $2,400 and part-time campus employment for students demonstrating financial need	
HEALTH PROGAMS				
Hospital care (including construction and equipment)	*Hospital Insurance Act*	In-patient care (includes acute, rehabilitation, and extended care)	*Per diem* approved rate payments to hospitals for care of all qualified provincial residents	Patient charge of $7.50 *per diem* effective April 1, 1982 while hospitalized for acute and rehabilitative care; patient charge of $11.50 *per diem* for extended care. (No user charge for extended care for persons under the age of 19.)
		Out-patient care	Payment made for a wide range of services, including day-care surgery	Patient charge of $4.00 for emergency services or minor surgery and $7.00 charge for day-care surgical services.
		Hospital equipment	Grants of one-third to 100 per cent on major moveable depreciable equipment	
	Hospital District Act	Approved capital costs	60 per cent of debt service costs for approved construction and fixed equipment up to an amount equalling a levy of 4 mills on the net taxable value of land and improvements, plus 80% of any remaining expense	
Long-term care				
(A) Residential care	*Community Care Facility Act*	Need	Individual pays $11.50 *per diem* for basic accommodation. Province provides balance (approx. $8 to $35 per day)	Effective January 1, 1978. Includes private hospitals, community care facilities, mental health boarding homes and extended care hospitals.
(B) Home care				
(a) Home care nursing and home preparation		Need	Province pays 100 per cent	
(b) Homemaker services	*Guaranteed Available Income for Need Act*	Need	User charge levied based on income	Province pays 90 to 100 per cent (including federal government contributions).
Medical services	*Medical Service Act*	Income or need	Subsidy of 90 per cent of medical care premiums for those with taxable income in previous year of $1,880 or less or under temporary financial hardship; 50 per cent subsidy for those with taxable income in previous year between $1,880 and $2,810	Province also contributes to stabilization of premium rates for all subscribers.

Table 5.1

Major Provincial Programs for People—*Continued*

Type	Statutory Reference	Basis	Rate	Remarks
Dental care	*Medical Service Act*	Income or need	Plan pays 100 per cent of insured benefits for clients of the Ministry of Human Resources; 75 per cent for recipients of premium assistance from the Medical Services Plan; 50 per cent of insured benefits for those 65 and over or 14 and under; 100 per cent of a special preventative care package for children	Maximum payment is $700 per year. The plan has been suspended for two years effective September 1, 1982 for all but Human Resources clients.
Ambulance service	*Health Emergency Act*	Transportation, resuscitation and advanced life support	Net cost paid by province	Patient (resident of province) charged fee of $25 plus 26 cents per kilometre over 40 kilometres, up to a maximum $162.
PROPERTY TAX RELIEF PROGRAMS				
Home owner property tax grants	*Home Owner Grant Act*	Per eligible home owner	$380 plus additional $250 for home owners 65 and over, for certain persons on income assistance or pension, and for eligible handicapped persons.	Minimum tax payable, $75 ($125 in 1982); $1 if eligible for supplemental grant; applies first to school taxes.
Real property tax deferment	*Land Tax Deferment Act*	Per resident home owner age 65 or over, widowed spouse, handicapped	Deferment of 100 per cent of net property tax	Deferred taxes allowed only where property is eligible for home owner grant.
HOUSING PROGRAMS				
Home purchase assistance	*Home Purchase Assistance Act*	Established residency and home cost:		Application may be made within one year after purchase of home; available on new or used housing falling within prescribed price limits.
		(a) First Home Grant on new or older homes	$1,000	
		(b) Family First Home Grant on new or old homes. Family to include one dependent child	$2,500	
		(c) British Columbia Second Mortgage	Second mortgage of up to $10,000 providing applicant has not benefitted previously	
Senior citizens' homes	*Housing Construction (Elderly Citizens) Act*	Total cost of construction and community need	Grant up to ⅓ total cost of self-contained low-rental housing units	Province may supply site on lease basis. Rental assistance available.
Mobile home registry	*Mobile Home Act*	Mobile home registration similar to land registry system for real property	Registration, $50; ownership transfer, $25; security instrument, $25; transport permit, $10	Protection to sellers and purchasers. Lenders secure financial interest in mobile home unit.
INCOME ASSISTANCE AND SOCIAL PROGRAMS				
Income assistance (social allowance, age benefits, and supplement to old age security, and handicapped persons' income assistance)	*Guaranteed Available Income for Need Act*	Income and need	Income assistance: Unemployable single persons and persons 60–64 years, $430 per month maximum. Employable single persons under 60 years, $375 per month maximum. Couples both unemployable and under 60 years, $675 per month maximum; employable couples under 60 years, $620 per month maximum. Couples age 60–64, $675 per month. Employable single parent with one child, $640 per month maximum, and unemployable single parent with one child, $675 per month maximum. Unemployable persons under 60 years receive the maximum rate after 4 months on income assistance. Persons age 65 and older, or age 60–64 in receipt of spouse's allowance, may receive a monthly supplement to raise their income to $505.74 for singles, and $926.24 for couples, effective April 1, 1982	Province pays 93 to 100 per cent of allowance, according to type of expenditure (including federal contribution).
		Disability and need	Income Assistance rates effective April 1, 1982: Single handicapped person, $505.74 monthly maximum; couple, with one person handicapped, $800 monthly; couple, both persons handicapped, $926.24	Province pays 100 per cent (incuding federal contribution).
Elderly renters' assistance	*Shelter Aid for Elderly Renters Act*	Tenants age 65 and over in financial need	Monthly payments equal to 75 per cent of rent in excess of 30 per cent of income	Maximum claimable rent of $365 month for a couple and $330 month for a single person.
Renters' Assistance	*Income Tax Act*	Tenants age 16 and over	$150 less 1.5 per cent of taxable income	British Columbia renters' tax credit. Maximum grant is 10 per cent of rent paid in the taxation year.
Health care services	*Guaranteed Available Income for Need Act*	Need	Comprehensive health care to persons receiving income assistance benefits and to children in care	Province pays 93 to 100 per cent, according to type of expenditure (including federal contribution).
Pharmacare	*Guaranteed Available Income for Need Act*	Age or income	(a) Free prescription drugs for persons aged 65 and over (b) 80 per cent subsidy of prescription drug costs over $125 for a family or for a single person in each calendar year	Province pays 100 per cent (including federal contribution).
Services for the mentally retarded	*Guaranteed Available Income for Need Act*	Income or need	Institutional and community based residential care; achievement centres; community living skills	Province pays up to 100 per cent according to type of expenditure (including federal contribution).
Family support homemaker services	*Guaranteed Available Income for Need Act*	Need	Temporary homemaker services for the care of children	Province pays up to 100 per cent (including federal contribution).
Child day care	*Guaranteed Available Income for Need Act*	Income and need	Subsidy for each child	Province pays up to 100 per cent (including federal contribution).
		Approved capital and equipment costs	Grants to day care centres	Province pays 100 per cent (including federal contribution).

Table 5.1

Major Provincial Programs for People—*Continued*

Type	Statutory Reference	Basis	Rate	Remarks
Infant development program	*Guaranteed Available Income for Need Act*	Need	Fully subsidized	
Family and children's services (protection services, payments to foster, group, and therapeutic homes, specialized treatment resources, special services to children, rehabilitation resources, family support, homemaker services, adoption and infant development program)	*Family and Child Service Act*	Need and or income	(a) Foster care rates: $165.76 to $285.28 per month according to age; special rates for authorized care or services (b) Other services provided through a contracted basis, subsidy to parents, or grant to a community agency	Province pays up to 100 per cent according to type of expenditure (including federal contribution).
Community human resources and health centres	*Community Resource Board Act*	Approved operating costs	Grants for administration and service costs in three centres (Granisle, James Bay in Victoria and Queen Charlotte Islands)	Province pays up to 100 per cent according to grant purpose (including federal contribution).
Community grants	*Guaranteed Available Income for Need Act*	Approved operating costs	Grants for various community-based projects and services, including crisis centres, family support and counselling, youth programs, programs for handicapped, volunteer bureaus and multi-service agencies	Province pays 100 per cent (including federal contribution).
Individual Opportunity Program (Incentive allowance, employment opportunity program, job action, work tools, clothing and transportation, education and training assistance, work activity projects)	*Guaranteed Available Income for Need Act*	Income and Need	Assistance and incentives vary among programs	Various forms of incentives and assistance to prepare income assistance recipients for return to work.
OTHER PROGRAMS				
Highways	*Highway Act*	Provincial highways in municipalities	Arterials, 100 per cent; secondary, 50 per cent for capital works, 40 per cent for maintenance	
Sewage collection and disposal	*Sewerage Assistance Act*, transferred to *Revenue Sharing Act* for 1982/83	Local area taxable capacity	75 per cent of annual debt-servicing cost over a basic 2½ mill real property tax levy	Assistance toward capital cost of construction of sewage collection and disposal facilities.
Rapid transit	*British Columbia Transit Act*	Planning and funding of transit services	Shared-cost formula	Funding responsibility for local transit now rests with the authority.
Physical Fitness and Amateur Sports Fund	*Funds Control Act*	Assistance to provincial sport, recreation and fitness organizations for ongoing administrative costs; leadership development; competitions and athletic development; special programs of provincial significance; British Columbia athletic awards, Premier's athletic awards, Nancy Greene scholarships and assistance for outstanding athletes; provincial sport development co-ordinator program; grants to communities hosting British Columbia Games	Various, depending on needs and objectives of the organization	Provincial co-ordinating agencies and Amateur Sport Governing Association received $5.2 million in 1981/82.
Regional and municipal parks	*Park (Regional) Act, Ministry of Lands, Parks and Housing Act*	Assistance to regional districts in the acquisition of parks and trails	One-third of regional expenditure on acquisition or development	$730,000 grants-in-aid in 1981/82.
		Transfer of Crown land and Class C parks of purely local significance	Nominal rates for Crown land	
Library grants	*Library Act*	Population served (and area served in the case of regionally organized libraries)	Rates are established annually	
Provincial guaranteed debt			Guaranteed debt of self-liquidating obligations of municipalities and other local governments for water, sewerage, drainage, schools, hospitals, etc., at March 31, 1982, $1,496,013,682.	

Table 6.1

Volume of Merchantable Timber in Trees of Diameter of 17.5 Centimetres and More[1]

Species	Million cubic metres	Per Cent of Total
Western hemlock	1,836	22.7
Spruce	1,751	21.7
Balsam	1,490	18.4
Lodgepole pine	1,121	13.9
Western red cedar	914	11.3
Douglas fir	530	6.6
Cypress	172	2.1
Aspen	131	1.6
Cottonwood	46	0.6
All others	92	1.1
Total	8,083	100.0

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[1] Based on Forest Inventory Statistics of British Columbia, 1973.

Table 6.2

Timber Scaled by Species

Species	1971	1980	1981	Change 1980–1981
		(thousand m³)		(per cent)
Balsam	7,225	10,029	7,805	−22.2
Cedar	6,964	8,449	6,982	−17.4
Douglas fir	9,685	8,675	6,896	−20.5
Lodgepole pine	6,016	14,348	12,791	−10.9
Spruce	12,621	15,909	14,627	−8.1
Western hemlock	12,451	14,804	10,918	−26.2
All others	1,577	2,441	1,799	−26.3
Total	56,538	74,655	61,818	−17.2

Note: Small differences in totals are due to rounding.

Table 6.3

Metal, Mineral, Coal, Petroleum and Natural Gas Production

		1979		1980		1981[1]	
	Unit	Quantity	Value	Quantity	Value	Quantity	Value
Metals		(000)	($ millions)	(000)	($ millions)	(000)	($ millions)
Copper	kg	272,163	656.4	264,675	670.6	290,088	611.3
Molybdenum	kg	10,766	321.2	11,180	288.9	12,933	198.2
Gold	g	8,277	104.1	7,477	170.1	7,760	136.1
Silver	g	214,118	94.7	203,802	156.5	403,755	152.4
Lead	kg	84,452	88.1	76,709	66.1	84,854	61.5
Zinc	kg	88,419	61.9	67,481	49.4	79,214	67.0
Iron concentrates	t	668	13.0	653	13.7	602	14.3
Other		—	9.9	—	13.6	—	5.8
Total			1,350.7		1,429.0		1,246.7
Industrial Minerals							
Asbestos	t	94	65.5	100	81.7	91	76.8
Sulphur	t	384	9.6	359	21.7	508	33.3
Other		—	9.4	—	12.5	—	12.4
Total			84.5		115.9		122.5
Structural Materials (including cement)		—	178.5	—	242.3	—	200.8
Coal	t	10,570	439.3	10,824	461.5	11,415	554.3
Petroleum and Natural Gas							
Natural gas to pipeline	10^6m^3	11,393	699.5	8,932	612.5	8,063	620.4
Crude oil	10^3m^3	2,140	168.9	2,002	189.6	2,036	235.6
Other		—	28.0	—	26.2	—	31.6
Total			896.4		828.3		887.6
Totals, all metals, minerals and fuels			2,949.4		3,077.0		3,011.8

[1] Estimated.

Note: Small differences in total due to rounding.

Conversion table

.90718474 tonnes (t) = one short ton.
.45359237 kilograms (kg) = one pound.
31.1034768 grams (g) = one troy ounce.
6.29 cubic metres (m^3) = one barrel.
35.49373 thousand cubic metres (10^3m^3) = one thousand standard cubic feet.

Table 6.4

Total Metal, Mineral, Coal, Petroleum and Natural Gas Production

	($ millions)
1970	488.6
1971	528.0
1972	636.2
1973	1,109.4
1974	1,264.2
1975	1,364.0
1976	1,520.3
1977	1,788.1
1978	1,972.1
1979	2,949.4
1980	3,077.0
1981 (estimate)	3,011.8

Table 6.5

Electric Power Generation

Year	Generation Hydro[2]	Generation Thermal	Total	Net Exchange[3]	Provincial Load[4]
			(in gigawatt-hours[1])		
1971	26,625	2,213	28,838	(131)	28,707
1972	29,458	2,136	31,594	(834)	30,760
1973	33,592	4,402	37,994	(4,813)	33,181
1974	34,043	1,820	35,863	(2,263)	33,600
1975	31,228	3,122	34,350	(1,839)	32,511
1976	36,789	1,859	38,648	(2,104)	36,544
1977	41,408	1,851	43,259	(4,733)	38,526
1978	40,769	1,836	42,605	(2,398)	40,207
1979	41,241	2,245	43,486	(1,920)	41,566
1980	41,086	2,535	43,621	(692)	42,929
1981	49,525	1,636	51,161	(7,828)	43,333

[1] One gigawatt-hour (Gwh) = 1 million kilowatt-hours.
[2] Includes hydro-mechanical generation.
[3] Net import (export) from (to) other provinces and the United States.
[4] Electricity consumed within the province.

Table 6.6

Principal Producers of Electric Power in British Columbia

	Installed Capacity at March 31, 1982 (Kilowatts) Hydro	Thermal	Combined
Utilities			
British Columbia Hydro and Power Authority	7,729,402	1,347,326	9,076,728
The Corporation of the City of Nelson	8,670	—	8,670
West Kootenay Power & Light Co. Ltd.	42,000	—	42,000
Subtotals, utilities	7,780,072	1,347,326	9,127,398
Forest Products Companies			
B.C. Forest Products Ltd.	—	36,300	36,300
B.C. Timber Ltd.	—	44,500	44,500
Canadian Forest Products Ltd.	—	4,500	4,500
Cariboo Pulp and Paper Co. Ltd.	—	28,000	28,000
Crestbrook Forest Industries	—	15,000	15,000
Crown Zellerbach Ltd.	—	23,420	23,420
Evans Products Co. Ltd.	—	7,500	7,500
MacMillan Bloedel Ltd.	74,980	119,360	194,340
Northwood Pulp Co.	—	31,500	31,500
Ocean Falls Corporation	13,320	14,500	27,820
Rayonier Canada Ltd.	4,250	39,800	44,050
Tahsis Co.	—	8,000	8,000
Weldwood of Canada	—	6,500	6,500
Western Forest Industries	—	1,700	1,700
Subtotals, forest products	92,550	380,580	473,130
Mineral Products Companies			
Aluminum Co. of Canada Ltd.	812,800	5,000	817,800
Carnegie Mining Corporation	200	—	200
Cassiar Asbestos Co.	—	14,970	14,970
Cominco Ltd.	611,675	—	611,675
Endako Mines	—	2,250	2,250
Granduc Operating Co.	—	32,300	32,300
Wesfrob Mines	—	10,440	10,440
Western Mines Ltd.	3,060	—	3,060
Subtotals, mining	1,427,735	64,960	1,492,695
Other Industries			
B.C. Sugar Refining Co. Ltd.	—	5,500	5,500
Pacific Petroleums Ltd.	—	7,500	7,500
Walden North Enterprises	450	—	450
Subtotals, other industries	450	13,000	13,450
Subtotals, industries	1,520,735	458,540	1,979,275
Total, all plants	9,300,807	1,805,866	11,106,673

Sources: Hydro plants—Water Management Branch, Ministry of Environment.
Thermal plants—Owners, or "Electric Power in Canada".

Table 6.7

Hydroelectric Projects Recently Completed or Under Construction

	Peace River		Columbia River		Pend-d'Oreille River
	W.A.C. Bennett Dam	Peace Canyon Dam	Mica Dam	Revelstoke Dam	Seven Mile Dam
Ultimate electrical generating capacity (megawatts)	2,730	700	2,610	2,700	639
Installed capacity at June 1982 (megawatts)	2,730	700	1,736	—	525
Height of dam (metres)	183	50	245	170	66
Volume of dam (millions of m³)	43.7	0.4	32.1	13.8	0.4
Type of dam	Earth and rockfill	Concrete with earthfill saddle dam	Earth and rockfill	Concrete gravity and earthfill embankment	Concrete
Usable storage (millions of m³)	39,500	*Nil*	9,729	1,850	*Nil*
Average flow (m³/second)	1,042	1,042	580	816	787
Drainage area (thousands of km²)	70.0	70.2	21.3	26.7	66.6
Completion date of latest construction phase	1980	1980	1977	1984	1981

Table 6.8

Value of Manufacturing Shipments

	1976	Per Cent of Total Manufacturing	1980	Per Cent of Total Manufacturing	1981	Per Cent of Total Manufacturing	Change 1980–1981
	($ millions)		($ millions)		($ millions)		(per cent)
Wood industries products	2,643	29.8	4,354	27.4	4,141	25.1	−4.9
Paper and allied products	1,856	21.0	3,161	19.9	2,823	17.2	−10.7
Food and beverages	1,297	14.6	2,319	14.6	2,602	15.7	12.2
Petroleum and coal products	604	6.8	1,316	8.3	1,886	11.5	43.3
Primary metals	414	4.7	902	5.7	877	5.3	−2.8
Transport equipment	367	4.2	701	4.4	768	4.6	9.6
Metal fabricated products	405	4.6	827	5.2	906	5.5	9.6
Chemicals	231	2.6	434	2.7	470	2.8	8.3
Machinery	204	2.3	438	2.8	456	2.7	4.1
Printing and publishing	238	2.7	385	2.4	462	2.8	20.0
Non-metallic minerals	187	2.1	409	2.6	438	2.6	7.1
Electrical products	127	1.4	177	1.1	197	1.1	11.3
Clothing and textiles	100	1.1	140	.9	161	1.0	15.0
Furniture and fixtures	61	.7	96	.6	102	.6	6.3
Other	123	1.4	219	1.4	245	1.5	11.9
Total	8,857	100.0	15,878	100.0	16,534	100.0	4.1

Source: Statistics Canada.

Note: Small differences in totals are due to rounding.

APPENDIX 7

THE PROVINCE OF BRITISH COLUMBIA

PRELIMINARY UNAUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 1982

FOREWORD

This section includes the preliminary unaudited financial statements of the government of the Province of British Columbia for the year ended March 31, 1982 prepared by the Comptroller General from the accounts of the province, using the modified accrual basis of accounting.

These preliminary unaudited financial statements reflect the operations of the General and Special Purpose Funds; they do not include those of Crown corporations, with the exception of British Columbia Petroleum Corporation, or other separate government agencies. The interest of the province in its Crown entities is shown only to the extent of amounts invested in or advanced to them and as to guarantees of their debt securities issued. Accumulated earnings (or deficits) retained in these organizations are not reflected in the financial statements.

The accounts of the province are subject to examination by the Auditor General who is required to report annually to the Legislative Assembly on the financial statements of the government. The Report of the Auditor General on the complete financial statements for the year ended March 31, 1982 will be included in the annual Public Accounts which will be available after submission to the Legislative Assembly.

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Table 7.1

COMBINED GENERAL FUND AND SPECIAL PURPOSE FUNDS (CONSOLIDATED REVENUE FUND) BALANCE SHEET AT MARCH 31, 1982 (Unaudited)

	1982	1981
ASSETS	$	$
Cash and temporary investments	529,937,725	751,177,427
Accounts receivable	399,976,327	356,852,098
Due from Crown corporations and agencies	363,162,865	141,357,548
Mortgages receivable	184,153,762	182,929,682
Prepaid program costs	32,926,827	—
Inventories	37,110,585	37,829,254
Investment in and advances to Crown corporations	285,761,413	291,887,661
Property under development	68,335,275	69,634,858
Fixed assets	1	1
Other assets	286,388,914	332,101,290
	2,187,753,694	**2,163,769,819**
LIABILITIES		
Accounts payable and accrued liabilities	408,461,542	240,604,225
Deferred revenue	65,471,501	9,630,000
Unmatured debt	183,147,790	209,247,790
	657,080,833	**459,482,015**
NET EQUITY		
Net equity	1,530,672,861	1,704,287,804
	2,187,753,694	**2,163,769,819**
TRUST FUNDS UNDER ADMINISTRATION		
Superannuation and pension funds	3,985,356,400	3,134,161,266
Trust funds	3,092,878,880	2,037,152,002
	7,078,235,280	**5,171,313,268**
CONTINGENT LIABILITIES		
Guaranteed debt	**9,943,378,155**	**8,287,209,507**

Table 7.2

Statement of Operating Results for the Year Ended March 31, 1982 (Unaudited)

		1982				1981
Estimates 1982 General Fund		General Fund	Special Purpose Funds	Adjustments for Transfers Between Funds	Total	Total
$		$	$	$	$	$
	Revenue					
3,974,000,000	Taxation	4,205,917,246	916,587		4,206,833,833	3,008,570,884
677,000,000	Natural resources	591,128,342	141,593		591,269,935	862,370,360
411,400,000	Other	515,945,751	455,296,706	(345,168,275)	626,074,182	532,521,254
364,000,000	Contributions from government enterprises	326,520,210			326,520,210	293,115,747
1,210,000,000	Contributions from other governments	1,117,697,496			1,117,697,496	1,106,146,797
6,636,400,000	Total revenue	**6,757,209,045**	**456,354,886**	**(345,168,275)**	**6,868,395,656**	**5,802,725,042**
	Expenditure					
304,000,000	General government	303,094,305	1,461,355		304,555,660	255,442,427
318,200,000	Protection of persons and property	317,573,429	253,516		317,826,945	286,198,358
574,200,000	Transportation and communications	618,737,491	21,851,886		640,589,377	555,423,290
2,824,200,000	Health and social services	2,876,798,020	26,331,170		2,903,129,190	2,503,708,264
65,400,000	Recreation and cultural services	60,922,748	9,848,052		70,770,800	77,618,158
1,525,800,000	Education	1,549,947,904			1,549,947,904	1,317,935,924
334,200,000	Natural resources and primary industries	379,017,701	115,107,033	(34,009,228)	460,115,506	362,898,231
162,100,000	Trade and industrial development	84,961,918	1,369,220		86,331,138	77,394,999
61,600,000	Housing	91,483,943	21,969,091		113,453,034	117,777,536
383,200,000	Aid to local government	352,863,984	212,247,135	(213,800,000)	351,311,119	297,011,894
16,900,000	Interest on public debt	16,917,773			16,917,773	19,299,398
13,200,000	Grants and contributions	83,151,155	53,358,895		136,510,050	105,838,889
27,300,000	Other	109,009,838	78,901,312	(97,359,047)	90,552,103	82,912,219
6,610,300,000	Total expenditure	**6,844,480,209**	**542,698,665**	**(345,168,275)**	**7,042,010,599**	**6,059,459,587**
26,100,000	Net Revenue (Expenditure) for the Year	**(87,271,164)**	**(86,343,779)**		**(173,614,943)**	**(256,734,545)**

Table 7.3

Statement of Combined General Fund and Special Purpose Funds Revenue by Sources for the Fiscal Years Ended March 31, 1979, 1980, 1981 and 1982 (Unaudited)

	1979	1980	1981	1982
	$	$	$	$
Taxation revenue				
Personal income	1,220,087,814	1,215,963,618	1,369,211,996	1,848,153,074
Corporation income	301,470,437	434,676,109	456,608,866	579,997,631
Social service	650,603,378	655,502,747	757,974,947	1,129,542,193
Gasoline	175,458,113	191,829,815	202,536,160	331,657,359
Motive-fuel use	22,402,440	25,762,109	28,983,775	39,729,670
Fuel oil	2,306,297	2,197,075	16,763	
Tobacco	63,578,662	66,837,073	74,654,794	102,883,691
Corporation capital	44,770,616	47,262,823	52,676,696	89,779,068
Property	19,327,638	23,949,797	25,961,274	33,575,585
Insurance premiums	13,534,904	15,791,601	17,484,993	20,210,237
Hotel and motel room	9,772,099	12,306,581	15,487,945	23,672,817
Horse racing betting	8,748,736	8,443,861	6,035,987	7,618,292
Succession and gift	(285,912)	859,385	936,688	14,216
Total taxation revenue	**2,531,775,222**	**2,701,382,594**	**3,008,570,884**	**4,206,833,833**
Natural resource revenue				
Minerals				
Petroleum and natural gas				
British Columbia Petroleum Corporation	184,979,270	309,644,218	208,326,333	219,922,383
Permits and fees			156,459,474	69,250,298
Royalties	197,026,882	277,839,977	50,896,824	67,164,102
Revenue from other minerals	41,455,566	69,504,443	119,593,185	62,454,453
	423,461,718	**656,988,638**	**535,275,816**	**418,791,236**
Forests				
Logging tax	50,683,968	44,056,735	45,556,100	12,276,852
Timber sales	284,408,485	561,705,030	233,525,954	68,677,508
Other forest revenue	16,569,645	26,670,430	12,122,787	8,666,143
	351,662,098	**632,432,195**	**291,204,841**	**89,620,503**
Land leases, rental and fees			9,518,087	11,312,305
Water resources	15,238,851	22,366,439	20,157,482	64,990,853
Wildlife Act — fees and licences	5,810,802	6,267,798	6,214,134	6,555,038
Total natural resource revenue	**769,173,469**	**1,318,055,070**	**862,370,360**	**591,269,935**
Other revenue				
Sales and services				
Farm income assurance	12,414,182	7,435,622	8,939,518	29,305,107
Lottery	1,472,835	16,049,465	25,424,417	25,913,997
Land Registry	27,225,471	33,376,187	36,399,084	31,161,375
Forest scaling fees	10,297,455	11,807,788	9,085,999	7,337,736
Other	74,143,244	50,040,627	45,560,825	67,563,676
	125,553,187	**118,709,689**	**125,409,843**	**161,281,891**
Licences and permits				
Motor vehicle licences and permits	61,321,112	67,927,334	81,561,138	102,591,451
Other	27,337,750	29,713,041	35,961,487	41,832,114
	88,658,862	**97,640,375**	**117,522,625**	**144,423,565**
Fines and penalties	11,238,761	12,807,290	14,709,493	19,014,445
Interest from investments	101,711,641	161,617,011	225,716,888	208,070,421
Recoveries of grants and contributions			2,182,223	
Miscellaneous	12,643,526	29,974,946	46,980,182	93,283,860
Total other revenue	**339,805,977**	**420,749,311**	**532,521,254**	**626,074,182**

Table 7.3

Statement of Combined General Fund and Special Purpose Funds Revenue by Sources for the Fiscal Years Ended March 31, 1979, 1980, 1981 and 1982 (Unaudited)—*Continued*

	1979	1980	1981	1982
Contributions from government enterprises	$	$		
Liquor Distribution Branch	206,177,322	222,494,242	274,548,747	315,839,210
British Columbia Buildings Corporation	10,000,000	18,342,410	17,045,000	8,005,000
British Columbia Systems Corporation	2,228,587	237,000	1,522,000	2,676,000
Total contributions from government enterprises	**218,405,909**	**241,073,652**	**293,115,747**	**326,520,210**
Contributions from other governments				
Canada				
Established programs financing	482,929,000	593,409,000	638,388,000	643,861,000
Canada assistance plan	204,111,652	254,873,813	312,856,926	320,167,884
Statutory and other subsidies	2,116,848	2,116,848	7,352,468	7,595,929
Other shared costs and grants in aid	103,508,019	144,128,881	117,927,500	113,235,052
Subtotal, Canada	**792,665,519**	**994,528,542**	**1,076,524,894**	**1,084,859,865**
Municipal and other governments' share	**25,448,537**	**29,037,644**	**29,621,903**	**32,837,631**
Total contributions from other governments	**818,114,056**	**1,023,566,186**	**1,106,146,797**	**1,117,697,496**
Total gross revenue	**4,704,274,633**	**5,704,826,813**	**5,802,725,042**	**6,868,395,656**
Reconciliation with Summaries of Revenue				
General Fund	4,629,017,267	5,612,336,143	5,699,889,486	6,757,209,045
Less transfers from Special Purpose Funds			(12,660,764)	(62,768,481)
Special Purpose Funds	215,344,784	485,458,486	636,046,302	456,354,886
Less transfers from General Fund	(140,087,418)	(392,967,816)	(520,549,982)	(282,399,794)
	4,704,274,633	**5,704,826,813**	**5,802,725,042**	**6,868,395,656**

Table 7.4

Statement of Combined General Fund and Special Purpose Funds Expenditure by Function for the Fiscal Years Ended March 31, 1979, 1980, 1981 and 1982 (Unaudited)

	1979	1980	1981	1982
General Government	$	$	$	$
Administrative				
General	76,322,609	112,788,510	117,385,668	139,688,206
Employees' benefits	108,184,361	115,435,437	127,167,355	151,268,929
Construction and maintenance of public buildings	993	1,452,649	1,226,423	1,918,059
Legislative				
Elections	2,664,423	6,359,555	1,249,087	3,023,831
Legislative Assembly and Government House	7,226,949	6,767,317	8,413,894	8,656,635
	194,399,335	**242,803,468**	**255,442,427**	**304,555,660**
Protection of Persons and Property				
Law enforcement	75,978,968	84,467,006	92,233,330	108,219,311
Corrections	64,079,810	72,621,713	80,054,935	84,846,362
Police protection	33,247,328	40,776,710	47,555,148	53,867,612
Registration regulation, inspection, trusteeship	63,812,814	63,221,331	66,354,945	70,893,660
	237,118,920	**261,086,760**	**286,198,358**	**317,826,945**
Transportation and Communications				
Highways, roads, bridges and airports	419,689,347	430,785,752	470,423,809	483,312,836
Waterways, ferries, docks and wharves	21,717,384	26,440,536	27,071,097	48,564,375
British Columbia Ferries	51,083,901	53,772,025	57,928,384	63,712,166
British Columbia Railway	9,698			45,000,000
	492,500,330	**510,998,313**	**555,423,290**	**640,589,377**
Health and Social Services				
Health				
Administration	8,224,320	11,588,398	19,017,552	16,107,705
Public health	72,926,705	83,627,984	99,538,913	136,705,681
Medical, dental and allied services	291,829,733	377,775,219	462,443,017	571,210,188
Hospital care				
Administration	4,197,025	6,063,905	6,489,577	7,349,853
Payments to local hospitals	631,555,170	733,422,806	971,110,988	1,104,190,829
Provincial mental hospitals	97,775,846	101,530,375	113,777,485	118,140,667
Social Services				
Administration	64,310,298	72,136,846	83,583,974	94,432,460
Aid to aged persons	28,064,538	25,450,776	30,424,335	34,989,579
Social assistance	441,328,020	527,386,109	621,143,192	689,581,270
Child welfare	58,997,787	66,016,702	83,927,614	104,349,121
Labour relations, industrial conciliation and arbitration	11,354,028	10,893,111	12,251,617	26,071,837
	1,710,563,470	**2,015,892,231**	**2,503,708,264**	**2,903,129,190**
Recreation and Cultural Services				
Archives, art galleries, museum and libraries	11,656,781	13,469,498	17,531,068	19,087,840
Parks, beaches and other recreational areas	46,986,881	41,760,790	46,398,233	41,496,293
Physical culture	5,869,239	6,848,744	7,624,107	4,217,607
Other	6,313,924	7,900,701	6,064,750	5,969,060
	70,826,825	**69,979,733**	**77,618,158**	**70,770,800**

Table 7.4

Statement of Combined General Fund and Special Purpose Funds Expenditure by Function for the Fiscal Years Ended March 31, 1979, 1980, 1981 and 1982 (Unaudited)—*Continued*

	1979	1980	1981	1982
Education	$	$	$	$
Administration	7,899,202	6,699,475	7,599,854	8,612,075
Schools operated by local authorities				
Operating grants	413,652,548	433,310,297	465,827,304	530,152,224
Home-owner grants (school-levy portion)	152,895,906	203,736,926	216,220,230	224,936,772
Aids and services	32,167,026	18,201,105	33,532,447	36,442,753
Universities, colleges, vocational and other schools	368,236,735	466,619,214	511,329,878	632,132,805
Independent schools	8,562,874	9,565,835	10,841,810	13,224,545
Education of the handicapped	7,179,001	2,748,740	3,537,955	8,061,693
Teachers' pensions and unemployment insurance	52,532,033	48,824,249	69,046,446	96,385,037
	1,043,125,325	**1,189,705,841**	**1,317,935,924**	**1,549,947,904**
Natural Resource and Primary Industries				
Fish and game	15,282,201	19,660,930	15,262,230	16,294,798
Forests (including fire suppression)	131,287,142	163,635,360	183,515,133	229,389,679
Lands-settlement and agriculture	74,861,447	59,901,882	100,523,937	150,255,184
Minerals and mines	15,034,487	12,312,270	20,822,162	22,888,474
Water resources	31,791,671	30,307,907	34,414,297	39,541,621
Other	9,266,017	16,527,817	8,360,472	1,745,750
	277,522,965	**302,346,166**	**362,898,231**	**460,115,506**
Trade and Industrial Development	**32,115,402**	**53,119,186**	**77,394,999**	**86,331,138**
Housing				
Home-owner grants (nonschool-levy portion)	18,322,166	23,203,073	25,337,139	26,075,767
Home acquisition program	5,806,369	18,332,750	25,587,784	21,372,090
Renters' grants	16,754,877	15,293,456	21,688,625	21,627,785
Other	33,709,521	35,441,294	45,163,988	44,377,392
	74,592,933	**92,270,573**	**117,777,536**	**113,453,034**
Aid to Local Government				
Grants in aid of local government	179,720,872	176,289,842	218,483,744	254,733,057
Transit subsidy	6,856,665	25,136,184	72,853,435	89,757,666
Planning and development	2,657,997	2,582,839	3,136,542	3,677,394
University Endowment Lands	3,087,259	3,006,266	2,538,173	3,143,002
	192,322,793	**207,015,131**	**297,011,894**	**351,311,119**
Debt Servicing	**23,657,670**	**21,681,023**	**19,299,398**	**16,917,773**
Other Expenditure				
Provincial Emergency Program	7,261,534	7,778,953	9,755,561	8,613,767
Disaster relief, training, and development aid in foreign countries	358,991	361,671	393,000	415,003
Summer Employment Program	20,004,091	25,039,282	25,204,041	15,035,795
Interest on deposits and revenue refunds	5,281,877	8,759,964	13,920,532	16,554,720
Power subsidy	3,167,816	3,221,491		
Lottery Fund grants	12,979,676	11,563,565	11,634,227	16,132,831
British Columbia Resources Investment Corporation revaluation adjustment	(1,818,977)		22,004,858	
Donation of investment in British Columbia Resources Investment Corporation				25,019,744
Transfer of property to British Columbia Buildings Corporation				5,918,571
Sundry	196,197	576,748		2,861,672
	47,431,205	**57,301,674**	**82,912,219**	**90,552,103**

Table 7.4

Statement of Combined General Fund and Special Purpose Funds Expenditure by Function for the Fiscal Years Ended March 31, 1979, 1980, 1981 and 1982 (Unaudited)—*Continued*

	1979	1980	1981	1982
Other Payments and Charges	$	$	$	$
Crown corporations				
Investments and advances	7,479,538	5,374,600		
Grants	21,008,480	23,200,000	103,341,105	136,510,050
Advances, other (net)	9,115,349	3,862,420	2,497,784	
Investments, other		106,326,693		
	37,603,367	**138,763,713**	**105,838,889**	**136,510,050**
Total Combined Expenditure	**4,433,780,540**	**5,162,963,812**	**6,059,459,587**	**7,042,010,599**
Reconciliation with Summaries of Expenditure				
General Fund	4,390,443,127	5,351,686,182	6,278,937,580	6,844,480,209
Less transfers to Special Purpose Funds	(140,087,418)	(392,967,816)	(520,549,982)	(282,399,794)
Special Purpose Funds	183,424,831	204,245,496	313,732,753	542,698,665
Less transfers to General Fund			(12,660,764)	(62,768,481)
Total Combined Expenditure	**4,433,780,540**	**5,162,963,862**	**6,059,459,587**	**7,042,010,599**

Table 7.5

GENERAL FUND REVENUE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Estimated	Source	Revenue		
$		$	$	$
	TAXATION REVENUE:			
1,578,000,000	Personal Income		1,848,153,074	
532,000,000	Corporation Income		579,997,631	
1,222,000,000	Social Service		1,129,542,193	
337,000,000	Gasoline		331,657,359	
45,000,000	Motive-fuel Use		39,729,670	
100,500,000	Tobacco		102,883,691	
80,000,000	Corporation Capital		89,779,068	
30,000,000	Property		32,658,998	
21,000,000	Insurance Premiums		20,210,237	
22,200,000	Hotel Room		23,672,817	
6,300,000	Horse Racing		7,618,292	
	Succession and Gift		14,216	
3,974,000,000	Total Taxation Revenue			4,205,917,246
	NATURAL RESOURCE REVENUE:			
	Minerals:			
	Petroleum and Natural Gas—			
122,000,000	British Columbia Petroleum Corporation	219,922,383		
100,000,000	Permits and Fees	69,250,298		
65,300,000	Petroleum and Natural Gas Royalties	67,164,102		
12,000,000	Mining Tax	11,516,869		
68,000,000	Mineral Resource Tax	23,295,482		
11,500,000	Mineral Land Tax	14,600,894		
5,200,000	Coal, Minerals and Metals Royalties	6,688,703		
7,000,000	Miscellaneous Mining Receipts	6,352,505		
391,000,000			418,791,236	
	Forests:			
17,000,000	Logging Tax	12,276,852		
190,000,000	Timber Sales	68,677,508		
11,000,000	Timber Royalties	6,637,861		
3,000,000	Miscellaneous Forest Receipts	2,028,282		
221,000,000			89,620,503	
11,000,000	Land Leases, Rentals and Fees		11,312,305	
47,000,000	Water Resources: Water Rentals and Recording Fees		64,990,853	
7,000,000	*Wildlife Act:* Fees and Licences		6,413,445	
677,000,000	Total Natural Resource Revenue			591,128,342

Table 7.5

GENERAL FUND REVENUE FOR THE FISCAL YEAR ENDED MARCH 31, 1982—*Continued*

Estimated	Source	Revenue		
$		$	$	$
	OTHER REVENUE:			
	Sales and Service Fees:			
5,100,000	Land Sales	13,588,781		
5,200,000	Motor Vehicle Lien and Search Fees	5,800,305		
10,061,000	Medicare Services Recoveries	8,785,879		
3,300,000	Ferry Revenue	3,795,496		
4,100,000	Ambulance Service	3,855,095		
10,400,000	Forest Scaling Fees	7,337,736		
	Land Clearing Receipts	(1,421)		
38,200,000	Land Registry Fees	31,161,375		
1,550,000	Sheriffs' Fees	1,276,384		
1,500,000	Property Tax Collection Fees	1,586,009		
2,100,000	Hearing Aid Equipment	965,427		
1,200,000	Publications Service Branch	1,331,324		
2,019,000	Receipts from Beautiful British Columbia Magazine	(38,251)		
5,670,000	Miscellaneous Sales and Services	6,224,723		
90,400,000			85,668,862	
	Licences and Permits:			
102,000,000	Motor Vehicle Licences and Permits	102,591,451		
9,000,000	Companies Branch	8,495,984		
2,830,000	Electrical Energy Inspection Fees	2,826,711		
2,150,000	Fire Services—Fees, etc.	2,164,515		
2,700,000	Law Stamps	3,103,660		
11,100,000	Liquor Licensing Branch—Permits and Fees	12,999,635		
1,247,000	Mobile Home Registry	1,013,894		
	Probate Fees	20,716		
2,328,000	Camp-site Permits and Park Use	2,700,888		
8,645,000	Miscellaneous Licences and Permits	8,482,934		
142,000,000			144,400,388	
18,000,000	Fines and Penalties		19,014,445	
97,000,000	Interest from Investments		111,438,093	
	Miscellaneous:			
	Institutional Maintenance Receipts:			
13,000,000	Maintenance of Children	10,179,169		
3,923,000	Other Maintenance Receipts	5,763,495		
16,923,000		15,942,664		
	Miscellaneous Revenue:			
5,500,000	Insurance Claim Receipts	5,687,165		
	Superannuation Branch—Cost Recoveries	2,733,574		
16,577,000	Other Miscellaneous Receipts	21,528,296		
39,000,000			45,891,699	
25,000,000	Mortgage Repayments Under Housing Initiative Program		—	
			406,413,487	

Table 7.5

GENERAL FUND REVENUE FOR THE FISCAL YEAR ENDED MARCH 31, 1982—*Continued*

Estimated	Source	Revenue		
$		$	$	$
	Recovery of Advances to Elderly Citizens' Housing Fund		177,610	
	Recovery of British Columbia Ferries:			
	Insurance Fund		7,230,471	
	Sinking Fund		5,213,741	
	Recovery of Advances to Downtown Revitalization Fund		360,400	
	Recoverable from Urban Transit Authority *re* Automated Light Rapid Transit		55,000,000	
	Sale of Forestry Property to British Columbia Buildings Corporation		34,700,000	
	Sale of Ferry		6,081,150	
	British Columbia Educational Capital Financing Authority		768,892	
411,400,000	Total Other Revenue			515,945,751
	CONTRIBUTIONS FROM GOVERNMENT ENTERPRISES:			
338,000,000	Liquor Distribution Branch		315,839,210	
26,000,000	British Columbia Buildings Corporation		8,005,000	
	British Columbia Systems Corporation		2,676,000	
364,000,000	Total Contributions from Government Enterprises			326,520,210
	CONTRIBUTIONS FROM OTHER GOVERNMENTS:			
	Canada:			
726,000,000	Established Programs Financing		643,861,000	
346,000,000	Canada Assistance Plan		320,167,884	
	Other Shared-cost Programs:			
44,500,000	Adult Occupational Training		44,473,829	
30,085,000	Economic Development		29,652,819	
13,400,000	Transportation and Highways		12,236,919	
14,715,000	Other Federal Payments		26,871,485	
2,000,000	Percentage of Power Corporation Tax		5,102,038	
2,100,000	Statutory Subsidies		2,493,891	
1,178,800,000	Subtotal, Canada		1,084,859,865	
31,000,000	Municipal Share of Joint-service Programs		32,677,622	
200,000	Other Provinces		160,009	
1,210,000,000	Total Contributions from Other Governments			1,117,697,496
6,636,400,000	Total General Fund Revenue			**6,757,209,045**

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation

Vote No.	Description	Total Appropriations			Actual Expenditures	Net Under (Over) Expenditures
		Main Estimates Voted	Other Authorizations	Total		
	Legislation	$	$	$	$	$
1	Legislation	6,725,454		6,725,454	6,258,846	466,608
2	Crown Corporation Reporting Committee	417,800		417,800	349,357	68,443
		7,143,254		**7,143,254**	**6,608,203**	**535,051**
	Auditor General					
3	Auditor General	3,006,500		3,006,500	2,607,330	399,170
4	Building occupancy charges	187,000		187,000	185,763	1,237
5	Computer and consulting charges	75,000		75,000	56,090	18,910
		3,268,500		3,268,500	2,849,183	419,317
	Less efficiencies achieved to control government growth	(149,000)		(149,000)		(149,000)
		3,119,500		**3,119,500**	**2,849,183**	**270,317**
	Ombudsman					
6	Ombudsman	1,236,125				
	Supplement—Special Warrant No. 4		49,000	1,285,125	1,264,600	20,525
7	Building occupancy charges	194,000		194,000	174,320	19,680
8	Computer and consulting charges	30,000		30,000	13,685	16,315
		1,460,125	**49,000**	**1,509,125**	**1,452,605**	**56,520**
	Premier's Office					
9	Premier's office	664,544				
	Supplement—Special Warrant No. 2		150,000	814,544	792,442	22,102
		664,544	150,000	814,544	792,442	22,102
	Less efficiencies achieved to control government growth	(31,000)		(31,000)		(31,000)
		633,544	**150,000**	**783,544**	**792,442**	**(8,898)**
	Ministry of Agriculture and Food					
10	Minister's office	160,971				
	Supplement—Special Warrant No. 5		30,000			
	Statutory—*Legislative Assembly Allowances and Pension Act*, (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		7,395	198,366	187,173	11,193
11	Deputy Minister's office	1,091,714		1,091,714	1,064,571	27,143
12	Finance and administration	1,736,900		1,736,900	1,735,933	967
13	Field operations	10,809,073				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		15,137	10,824,210	10,824,210	
14	Economics and marketing services	1,348,293		1,348,293	1,339,011	9,282
15	Financial Assistance Program	46,458,103				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		13,415,040	59,873,143	59,873,143	
16	Information services	258,097		258,097	257,837	260
17	Milk Board	267,160		267,160	263,433	3,727
18	Provincial Agricultural Land Commission	1,661,067		1,661,067	1,492,749	168,318
19	ICBC Senior Citizens' Grant	6,130,000		6,130,000	5,974,076	155,924
20	Building occupancy charges	3,840,000		3,840,000	3,734,076	105,924
21	Computer and consulting charges	421,450		421,450	421,450	
	Statutory—*Cattle Horn Act* (R.S.B.C. 1979, chap. 44, sec. 7)—Livestock improvement		31,698	31,698	31,698	
		74,182,828	13,499,270	87,682,098	87,199,360	482,738
	Less efficiencies achieved to control government growth	(1,025,000)		(1,025,000)		(1,025,000)
		73,157,828	**13,499,270**	**86,657,098**	**87,199,360**	**(542,262)**

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation—*Continued*

		Total Appropriations				
Vote No.	Description	Main Estimates Voted	Other Authorizations	Total	Actual Expenditures	Net Under (Over) Expenditures
	Ministry of Attorney General	$	$	$	$	$
22	Minister's office	150,500				
	Supplement—Special Warrant No. 14		8,500			
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		7,394	166,394	160,482	5,912
23	Administration and support	6,130,105		6,130,105	6,029,748	100,357
24	Court services	39,158,497				
	Supplement—Special Warrant No. 14		600,000			
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		182,422	39,940,919	39,940,919	
25	Criminal Justice Division	12,273,273				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		19,081	12,292,354	12,292,354	
26	Police services	48,813,935				
	Supplement—Special Warrant No. 14		4,200,000	53,013,935	52,865,729	148,206
27	Corrections	68,439,352		68,439,352	64,701,187	3,738,165
28	Legal Services Society	13,000,000				
	Supplement—Special Warrant No. 14		600,000			
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		1,835	13,601,835	13,601,835	
29	Legal Services to Government	8,261,221				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec 23 (3))		228,879	8,490,100	8,490,100	
30	Superior and County Judiciary	1,626,782		1,626,782	1,606,527	20,255
31	Provincial Judicary	7,508,827		7,508,827	7,493,121	15,706
32	Coroners	2,685,174				
	Supplement—Special Warrant No. 9		915,000			
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		25,079	3,625,253	3,625,253	
33	British Columbia Parole Board	326,356				
	Supplement—Special Warrant No. 9		75,000	401,356	400,926	430
34	Law Reform Commission	387,756		387,756	375,503	12,253
35	*Criminal Injury Compensation Act*	1,976,380				
	Statutory—*Criminal Injury Compensation Act* (R.S.B.C. 1979, chap. 83, sec. 2 (5))		602,197	2,578,577	2,578,577	
36	Public Trustee	2,002,635		2,002,635	1,983,053	19,582
37	Fire Commission	1,916,836		1,916,836	1,809,846	106,990
38	British Columbia Racing Commission	714,081		714,081	699,734	14,347
39	Film Classification Branch	175,274		175,274	173,848	1,426
40	Land Registry Program	8,095,484		8,095,484	7,950,258	145,226
41	Order in Council Patients' Review Board	102,350				
	Supplement—Special Warrant No. 14		8,000	110,350	106,595	3,755
42	Building occupancy charges	48,952,963		48,952,963	44,149,292	4,803,671
43	Computer and consulting charges	2,500,000		2,500,000	2,500,000	
	Statutory—*Private Investigators and Security Agencies Act* (1980, chap. 45, sec. 28)—Licensing and regulation of private investigators and security agencies		2,497	2,497	2,497	
		275,197,781	7,475,884	282,673,665	273,537,384	9,136,281
	Less efficiencies achieved to control government growth	(8,000,000)		(8,000,000)		(8,000,000)
		267,197,781	**7,475,884**	**274,673,665**	**273,537,384**	**1,136,281**
	Ministry of Consumer and Corporate Affairs					
44	Minister's office	147,465				
	Supplement—Special Warrant No. 7		22,000			
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	175,323	172,132	3,191

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation—*Continued*

		Total Appropriations				
Vote No.	Description	Main Estimates Voted	Other Authorizations	Total	Actual Expenditures	Net Under (Over) Expenditures
		$	$	$	$	$
45	Executive and administration	1,313,577		1,313,577	1,250,810	62,767
46	Consumer affairs	2,850,988				
	Statutory—*Financial Administration Act* (1981, chap 15, sec. 23 (3))		985	2,851,973	2,851,973	
47	Corporate affairs	5,865,797		5,865,797	5,409,386	456,411
48	Rentalsman	3,685,441		3,685,441	3,582,804	102,637
49	Liquor Control and Licensing Branch	1,438,605		1,438,605	1,376,949	61,656
50	Corporate and Financial Services Commission	73,218				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		6,671	79,889	79,889	
51	Auditors' Certification Board	5,000		5,000	3,881	1,119
52	Building occupancy charges	2,083,131		2,083,131	1,940,002	143,129
53	Computer and consulting charges	1,413,000				
	Supplement—Special Warrant No. 7		230,200	1,643,200	1,641,539	1,661
		18,876,222	265,714	19,141,936	18,309,365	832,571
	Less efficiencies achieved to control government growth	(835,000)		(835,000)		(835,000)
		18,041,222	**265,714**	**18,306,936**	**18,309,365**	**(2,429)**
	Ministry of Education					
54	Minister's office	225,957				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		3,815	229,772	179,799	49,973
55	Management operations and educational finance	7,759,647		7,759,647	6,525,733	1,233,914
56	Public schools education	772,622,740				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 20 (3))		20,792			
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		17,252,896	789,896,428	789,896,428	
57	Post-secondary education—colleges and provincial institutes	283,171,542				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 20 (3))		58,304			
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		440,350	283,670,196	283,670,196	
58	Post-secondary Student Aid Programs	6,285,218		6,285,218	6,244,126	41,092
59	Teachers' Pension Fund	83,700,000				
	Supplement—Special Warrant Nos. 10 and 18		12,450,000			
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		235,037	96,385,037	96,385,037	
60	Advances *re* rural school taxes—net	10		10		10
61	Independent schools	12,664,657				
	Supplement—Special Warrant No. 1		588,158	13,252,815	13,224,545	28,270
62	International Year of Disabled Persons	2,839,750		2,839,750	2,835,880	3,870
63	Building occupancy charges	2,581,000		2,581,000	2,553,442	27,558
64	Computer and consulting charges	1,576,854		1,576,854	1,356,897	219,957
		1,173,427,375	31,049,352	1,204,476,727	1,202,872,083	1,604,644
	Less efficiencies achieved to control government growth	(1,010,000)		(1,010,000)		(1,010,000)
		1,172,417,375	**31,049,352**	**1,203,466,727**	**1,202,872,083**	**594,644**
	Ministry of Energy, Mines and Petroleum Resources					
65	Minister's office	194,679				
	Supplement—Special Warrant No. 15		10,000			
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		3,819	208,498	207,128	1,370

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation—*Continued*

		Total Appropriations				
Vote No.	Description	Main Estimates Voted	Other Authorizations	Total	Actual Expenditures	Net Under (Over) Expenditures
		$	$	$	$	$
66	Executive management	1,120,071		1,120,071	1,107,422	12,649
67	Finance and Administration Branch	1,470,565		1,470,565	1,409,726	60,839
68	British Columbia Utilities Commission	2,469,409		2,469,409	2,415,771	53,638
69	Energy Resources Branch	7,242,262		7,242,262	4,838,259	2,404,003
70	Mineral Resources Branch	7,839,878		7,839,878	7,265,383	574,495
71	Petroleum Resources Branch	2,140,743		2,140,743	1,890,266	250,477
72	Resource Access Program	550,000		550,000	459,242	90,758
73	Fort Nelson Indian Reserve Minerals Revenue Sharing	6,000,000		6,000,000	5,851,238	148,762
74	Building occupancy charges	1,716,483		1,716,483	1,515,784	200,699
75	Computer and consulting charges	965,700		965,700	862,465	103,235
		31,709,790	13,819	31,723,609	27,822,684	3,900,925
	Less efficiencies achieved to control government growth	(820,000)		(820,000)		(820,000)
		30,889,790	**13,819**	**30,903,609**	**27,822,684**	**3,080,925**
	Ministry of Environment					
76	Minister's office	218,076				
	Statutory—*Legislative Assembly Allowances and Pension Act*, (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,856	223,932	191,131	32,801
77	General administration	5,516,921		5,516,921	5,470,160	46,761
78	Resource and environment management	50,679,915		50,679,915	50,468,605	211,310
79	Environment Laboratory Program	2,864,580		2,864,580	2,688,552	176,028
80	Surveys and Mapping Program	6,589,952		6,589,952	6,113,743	476,209
81	Provincial Emergency Program	1,702,820		1,702,820	1,543,108	159,712
82	Provincial disaster	6,000,000				
	Statutory—*Flood Relief Act* (R.S.B.C. 1979, chap. 138, sec. 2)		828,865	6,828,865	6,828,865	
83	Fish and Wildlife Conservation Fund	10		10		10
84	Building occupancy charges	7,792,000		7,792,000	7,681,285	110,715
85	Computer and consulting charges	2,271,800		2,271,800	2,234,583	37,217
	Statutory—*Emergency Program Act* (R.S.B.C. 1979, chap. 106, sec. 4 and 16)—Purchase of property subject to hazard		10,221,235	10,221,235	10,221,235	
		83,636,074	11,055,956	94,692,030	93,441,267	1,250,763
	Less efficiencies achieved to control government growth	(2,580,000)		(2,580,000)		(2,580,000)
		81,056,074	**11,055,956**	**92,112,030**	**93,441,267**	**(1,329,237)**
	Ministry of Finance					
86	Minister's office	176,348				
	Supplement—Special Warrant No. 6		40,000			
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	222,206	214,483	7,723
87	Economics and Policy Division	1,429,563		1,429,563	1,295,399	134,164
88	Treasury Board Staff	1,891,402		1,891,402	1,687,519	203,883
89	Revenue Division	18,718,431				
	Supplement—Special Warrant No. 6		1,025,000	19,743,431	19,139,330	604,101
90	Office of the Comptroller General	6,014,700		6,014,700	5,057,369	957,331

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation—*Continued*

		Total Appropriations				
Vote No.	Description	Main Estimates Voted	Other Authorizations	Total	Actual Expenditures	Net Under (Over) Expenditures
		$	$	$	$	$
91	Treasury and Administration Division	19,355,921				
	Statutory					
	—*Supreme Court Act* (R.S.B.C. 1979, chap. 397, sec. 23)		987,418			
	—*Infants Act* (R.S.B.C. 1979, chap. 196, sec. 10 (1))		1,781,789			
	—*Patients Property Act* (R.S.B.C. 1979, chap. 313, sec. 25 (3))		8,974,169			
	—*Estate Administration Act* (R.S.B.C. 1979, chap. 114, sec. 50 (3))		4,341,312			
	—*Cemetery Company Act* (R.S.B.C. 1979, chap. 35, sec. 8 (5))		3,427	35,444,036	31,507,516	3,936,520
92	Government agencies	10,315,580				
	Supplement—Special Warrant No. 6		2,067,500	12,383,080	10,568,809	1,814,271
93	Purchasing Commission	2,243,696		2,243,696	2,016,008	227,688
94	Provincial Capital Commission	803,546		803,546	776,325	27,221
95	Interest on public debt	16,924,299		16,924,299	16,917,773	6,526
96	Contingencies (all Ministries)	12,600,000				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		110,124	12,710,124	12,710,124	
97	Building occupancy charges	4,257,000		4,257,000	4,228,316	28,684
	Statutory—					
	Capital Commission Act (R.S.B.C. 1979, chap. 42, sec. 10)—Crystal Garden restoration		109,186	109,186	109,186	
	Crown Proceeding Act (R.S.B.C. 1979, chap. 86, sec. 13 (4))		645,454	645,454	645,454	
	Crown Proceeding Act (R.S.B.C. 1979, chap. 86, sec. 14 (4))		769,647	769,647	769,647	
	Financial Administration Act (1981, chap. 15, sec. 24 (c))—Interest revenue refunds		450,439	450,439	450,439	
	Trade and Convention Centre Act (1980, chap. 58, sec. 4)—Victoria		725,941	725,941	725,941	
	Unclaimed Money Act (R.S.B.C. 1979, chap. 418, sec. 4)		22,444	22,444	22,444	
		94,730,486	22,059,708	116,790,194	108,842,082	7,948,112
	Less efficiencies achieved to control government growth	(2,700,000)		(2,700,000)		(2,700,000)
		92,030,486	**22,059,708**	**114,090,194**	**108,842,082**	**5,248,112**
	Ministry of Forests					
98	Minister's office	160,231				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	166,089	157,834	8,255
99	Provincial forest and range resource management	40,167,894		40,167,894	38,928,199	1,239,695
100	Regional forest and range resource management	45,626,030		45,626,030	43,574,664	2,051,366
101	District forest and range resource management	58,710,846		58,710,846	56,372,333	2,338,513
102	Reservoirs	10		10		10
103	Fire Suppression Program	8,418,971				
	Statutory—*Forest Act* (R.S.B.C. 1979, chap. 140, sec. 124 (4))		30,805,004	39,223,975	39,223,975	
104	Building occupancy charges	10,392,117		10,392,117	9,393,348	998,769
105	Computer and consulting charges	6,160,063		6,160,063	5,778,383	381,680
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 24 (c))—Interest revenue refunds		16,167	16,167	16,167	
		169,636,162	30,827,029	200,463,191	193,444,903	7,018,288
	Less efficiencies achieved to control government growth	(7,000,000)		(7,000,000)		(7,000,000)
		162,636,162	**30,827,029**	**193,463,191**	**193,444,903**	**18,288**

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation—*Continued*

		Total Appropriations				
Vote No.	Description	Main Estimates Voted	Other Authorizations	Total	Actual Expenditures	Net Under (Over) Expenditures
		$	$	$	$	$
	Ministry of Health					
106	Minister's office	205,728				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		7,394	213,122	193,644	19,478
107	Administration and support services	21,954,338		21,954,338	19,595,406	2,358,932
108	Preventive services	50,339,865		50,339,865	49,081,444	1,258,421
109	Direct community care services	336,349,487				
	Supplement—Special Warrant No. 8		14,386,000	350,735,487	332,802,022	17,933,465
110	Hospital Programs	1,043,175,935				
	Supplement—Special Warrant No. 8		42,682,000			
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		13,459,261	1,099,317,196	1,099,317,196	
111	Medical Services Commission	451,814,000		451,814,000	451,814,000	
112	Emergency Health Services Commission	40,644,450				
	Supplement—Special Warrant No. 8		4,586,000	45,230,450	45,195,767	34,683
113	Forensic Psychiatric Services Commission	6,235,795		6,235,795	6,168,683	67,112
114	Alcohol and Drug Commission	10		10		10
115	Building occupancy charges	31,613,182		31,613,182	31,440,905	172,277
116	Computer and consulting charges	2,944,110		2,944,110	2,942,560	1,550
		1,985,276,900	75,120,655	2,060,397,555	2,038,551,627	21,845,928
	Less efficiencies achieved to control government growth	(10,200,000)		(10,200,000)		(10,200,000)
		1,975,076,900	**75,120,655**	**2,050,197,555**	**2,038,551,627**	**11,645,928**
	Ministry of Human Resources					
117	Minister's office	233,936				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	239,794	205,831	33,963
118	Direct community services and administrative support	85,100,643		85,100,643	79,599,985	5,500,658
119	Services for families and children	103,554,638		103,554,638	101,999,902	1,554,736
120	Health services	72,947,243				
	Supplement—Special Warrant No. 16		3,800,000			
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		12,719	76,759,962	76,759,962	
121	Community projects	26,409,217		26,409,217	24,952,022	1,457,195
122	G.A.I.N. Programs	467,150,397		467,150,397	463,384,146	3,766,251
123	Special Programs for the Retarded	60,615,917		60,615,917	55,042,270	5,573,647
124	Building occupancy charges	21,601,000		21,601,000	20,136,402	1,464,598
125	Computer and consulting charges	6,458,500		6,458,500	4,155,962	2,302,538
		844,071,491	3,818,577	847,890,068	826,236,482	21,653,586
	Less efficiencies achieved to control government growth	(8,000,000)		(8,000,000)		(8,000,000)
		836,071,491	**3,818,577**	**839,890,068**	**826,236,482**	**13,653,586**
	Ministry of Industry and Small Business Development					
126	Minister's office	204,312				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	210,170	186,866	23,304
127	Administration	5,067,086		5,067,086	3,770,051	1,297,035
128	Trade and Industry Division	3,681,067		3,681,067	3,196,242	484,825
129	Program implementation and co-ordination	5,383,039		5,383,039	4,299,846	1,083,193
130	Small business services	1,233,035		1,233,035	887,269	345,766
131	Grants	7,112,500		7,112,500	6,284,007	828,493

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation—*Continued*

Vote No.	Description	Total Appropriations: Main Estimates Voted	Total Appropriations: Other Authorizations	Total Appropriations: Total	Actual Expenditures	Net Under (Over) Expenditures
		$	$	$	$	$
132	North East coal development	22,930,000				
	Supplement—Special Warrant No. 11		45,000,000	67,930,000	58,342,538	9,587,462
133	British Columbia Railway-debt servicing	70,000,000		70,000,000	70,000,000	
134	Federal-Provincial Shared-cost Programs	29,895,806		29,895,806	20,157,851	9,737,955
135	Building occupancy charges	1,027,000		1,027,000	891,537	135,463
136	Computer and consulting charges	913,800		913,800	858,620	55,180
	Statutory—*Trade and Convention Centre Act* (1980, chap. 58, sec. 2 (1))—Vancouver		2,321,692	2,321,692	2,321,692	
		147,447,645	47,327,550	194,775,195	171,196,519	23,578,676
	Less efficiencies achieved to control government growth	(400,000)		(400,000)		(400,000)
		147,047,645	**47,327,550**	**194,375,195**	**171,196,519**	**23,178,676**
	Ministry of Intergovernmental Relations					
137	Minister's office	123,656				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	129,514	120,527	8,987
138	Intergovernmental relations	2,455,662		2,455,662	2,225,784	229,878
139	Building occupancy charges	113,000		113,000	87,133	25,867
	Statutory—*Public Service Act* (R.S.B.C. 1979, chap. 343, sec. 78)—Medical expenses, London, England		15,172	15,172	15,172	
		2,692,318	21,030	2,713,348	2,448,616	264,732
	Less efficiencies achieved to control government growth	(75,000)		(75,000)		(75,000)
		2,617,318	**21,030**	**2,638,348**	**2,448,616**	**189,732**
	Ministry of Labour					
140	Minister's office	147,796				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	153,654	126,916	26,738
141	Ministerial management and policy development	3,433,679		3,433,679	2,909,717	523,962
142	Industrial relations and occupational safety	5,139,035		5,139,035	4,680,371	458,664
143	Manpower	43,372,956		43,372,956	37,584,024	5,788,932
144	Safety engineering	7,411,531		7,411,531	7,019,252	392,279
145	Human Rights Programs	1,184,429		1,184,429	1,100,083	84,346
146	Boards and agencies	2,473,010				
	Supplement—Special Warrant No. 12		200,000	2,673,010	2,472,959	200,051
147	Building occupancy charges	2,450,779		2,450,779	2,367,296	83,483
148	Computer and consulting charges	885,470		885,470	846,130	39,340
		66,498,685	205,858	66,704,543	59,106,748	7,597,795
	Less efficiencies achieved to control government growth	(1,375,000)		(1,375,000)		(1,375,000)
		65,123,685	**205,858**	**65,329,543**	**59,106,748**	**6,222,795**
	Ministry of Lands, Parks and Housing					
149	Minister's office	156,974				
	Supplement—Special Warrant No 17		11,000			
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	173,832	165,528	8,304
150	Administration	3,957,179		3,957,179	3,854,427	102,752
151	Lands and Housing	40,415,673		40,415,673	38,110,807	2,304,866
152	Parks and outdoor recreation	26,452,233		26,452,233	25,031,643	1,420,590

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation—*Continued*

Vote No.	Description	Total Appropriations			Actual Expenditures	Net Under (Over) Expenditures
		Main Estimates Voted	Other Authorizations	Total		
		$	$	$	$	$
153	Ministry enterprises—net	10		10		10
154	Building occupancy charges	2,378,000		2,378,000	2,314,673	63,327
155	Computer and consulting charges	1,354,100		1,354,100	1,330,333	23,767
		74,714,169	16,858	74,731,027	70,807,411	3,923,616
	Less efficiencies achieved to control government growth	(2,200,000)		(2,200,000)		(2,200,000)
		72,514,169	**16,858**	**72,531,027**	**70,807,411**	**1,723,616**
	Ministry of Municipal Affairs					
156	Minister's office	186,675				
	Supplement—Special Warrant No. 13		25,000			
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	217,533	194,911	22,622
157	General administration	3,426,275		3,426,275	3,148,788	277,487
158	Grants, contributions and subsidies	69,080,000		69,080,000	69,030,910	49,090
159	Revenue Sharing Fund	213,800,000		213,800,000	213,800,000	
160	Central ministry services	596,514		596,514	575,433	21,081
161	Transit services	92,675,151		92,675,151	89,757,666	2,917,485
162	Building occupancy charges	504,000		504,000	459,956	44,044
163	Computer and consulting charges	143,750				
	Supplement—Special Warrant No. 13		30,000	173,750	172,293	1,457
		380,412,365	60,858	380,473,223	377,139,957	3,333,266
	Less efficiencies achieved to control government growth	(220,000)		(220,000)		(220,000)
		380,192,365	**60,858**	**380,253,223**	**377,139,957**	**3,113,266**
	Ministry of Provincial Secretary and Government Services					
164	Minister's office	195,103				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	200,961	182,844	18,117
165	Administration	5,193,418		5,193,418	4,868,304	325,114
166	Culture, Heritage and Recreation	31,111,492		31,111,492	23,324,223	7,787,269
167	Government services	16,503,048		16,503,048	12,304,531	4,198,517
168	Transpo '86	2,500,000		2,500,000	2,499,989	11
169	British Columbia Lottery Branch	10		10		10
170	Unemployment Insurance and Workers' Compensation	19,174,000				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		3,743,714	22,917,714	22,917,714	
171	*Inquiry Act*—formerly Public Inquiries Act	10				
	Statutory—*Inquiry Act* (R.S.B.C. 1979, chap. 198, part 2, sec. 18)		58,873	58,883	58,883	
172	Provincial Elections Branch	975,504		975,504	975,504	
173	Government Employment Relations Bureau	11,874,590		11,874,590	9,540,287	2,334,303
174	Public Service Commission administration	4,042,381		4,042,381	3,913,903	128,478
175	Salary and benefits—sundry employees	300,000		300,000	181,222	118,778
176	Superannuation Branch	2,964,018		2,964,018	2,911,105	52,913
177	Public Service superannuation and retirement benefits	80,345,000		80,345,000	79,392,298	952,702
178	*Legislative Assembly Allowances and Pension Act*	260,000		260,000	252,717	7,283
179	Employee Benefits	40,086,000		40,086,000	37,051,353	3,034,647

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation—*Continued*

Vote No.	Description	Total Appropriations			Actual Expenditures	Net Under (Over) Expenditures
		Main Estimates Voted	Other Authorizations	Total		
		$	$	$	$	$
180	Government information services	1,336,971				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3)		9,743	1,346,714	1,346,714	
181	Building occupancy charges	11,950,600		11,950,600	11,909,593	41,007
182	Computer and consulting charges	2,149,000		2,149,000	2,081,080	67,920
	Statutory—*Election Act* (R.S.B.C. 1979, chap. 103, sec. 191 (1))		1,545,316	1,545,316	1,545,316	
		230,961,145	5,363,504	236,324,649	217,257,580	19,067,069
	Less efficiencies achieved to control government growth	(1,775,000)		(1,775,000)		(1,775,000)
		229,186,145	**5,363,504**	**234,549,649**	**217,257,580**	**17,292,069**
	Ministry of Tourism					
183	Minister's office	186,530				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	192,388	184,117	8,271
184	Administrative and support services	972,158		972,158	813,019	159,139
185	Operational services	5,456,854		5,456,854	5,229,054	227,800
186	Marketing services	7,249,814				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		1,428,770	8,678,584	8,678,584	
187	Building occupancy charges	880,000		880,000	837,992	42,008
188	Computer and consulting charges	258,900		258,900	211,647	47,253
	Statutory—*Public Service Act* (R.S.B.C. 1979, chap. 343, sec. 78)—Medical expenses, California, U.S.A.		4,112	4,112	4,112	
		15,004,256	1,438,740	16,442,996	15,958,525	484,471
	Less efficiencies achieved to control government growth	(220,000)		(220,000)		(220,000)
		14,784,256	**1,438,740**	**16,222,996**	**15,958,525**	**264,471**
	Ministry of Transportation and Highways					
189	Minister's office	213,962				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		5,858	219,820	205,210	14,610
190	General administration—Highways	7,679,067		7,679,067	7,416,728	262,339
191	General administration—Transportation	1,064,894		1,064,894	995,154	69,740
192	Highway maintenance	195,919,712		195,919,712	190,976,205	4,943,507
193	Highway construction—Capital	288,993,088		288,993,088	285,259,267	3,733,821
194	Hydro development—Highways	10		10		10
195	Engineering Branch	1,070,533		1,070,533	1,037,079	33,454
196	Motor Vehicle Branch	23,582,731		23,582,731	19,984,369	3,598,362
197	Motor Carrier Branch	1,360,825		1,360,825	1,330,870	29,955
198	Motor Carrier Commission	354,851		354,851	326,669	28,182
199	Transportation Policy Analysis Branch	1,439,776		1,439,776	773,015	666,761
200	Air Services Branch	3,798,669		3,798,669	3,726,671	71,998
201	Local Airport Assistance Program	4,000,000		4,000,000	3,677,034	322,966
202	British Columbia Ferries	63,713,476		63,713,476	63,712,166	1,310
203	British Columbia Railway	13,200,000		13,200,000	13,151,155	48,845
204	Building occupancy charges	19,717,071		19,717,071	19,048,779	668,292
205	Computer and consulting charges	4,892,550		4,892,550	4,877,310	15,240
		631,001,215	5,858	631,007,073	616,497,681	14,509,392
	Less efficiencies achieved to control government growth	(12,400,000)		(12,400,000)		(12,400,000)
		618,601,215	**5,858**	**618,607,073**	**616,497,681**	**2,109,392**

Table 7.6

GENERAL FUND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Summary of General Fund Expenditure by Appropriation—*Continued*

		Total Appropriations				
Vote No.	Description	Main Estimates Voted	Other Authorizations	Total	Actual Expenditures	Net Under (Over) Expenditures
	Ministry of Universities, Science and Communications	$	$	$	$	$
206	Minister's office	147,400				
	Statutory—*Legislative Assembly Allowances and Pension Act* (R.S.B.C. 1979, chap. 228, part 1, sec. 12)		7,394	154,794	146,413	8,381
207	Ministry administration	1,154,371		1,154,371	979,231	175,140
208	Universities	323,865,928				
	Statutory—*Financial Administration Act* (1981, chap. 15, sec. 23 (3))		2,701,746	326,567,674	326,567,674	
209	Metric conversion	286,335		286,335	257,653	28,682
210	Science and technology	8,260,524		8,260,524	8,260,524	
211	Telecommunication Service Branch	22,938,029		22,938,029	22,698,071	239,958
212	Communications System Development and Regulation Branch	2,315,883		2,315,883	1,569,250	746,633
213	Building occupancy charges	391,000		391,000	310,121	80,879
214	Computer and consulting charges	122,200		122,200	122,199	1
		359,481,670	2,709,140	362,190,810	360,911,136	1,279,674
	Less efficiencies achieved to control government growth	(180,000)		(180,000)		(180,000)
		359,301,670	**2,709,140**	**362,010,810**	**360,911,136**	**1,099,674**
	Other Appropriations					
	Other Expenditure					
	Agricultural Land Development Fund transfer (*Agricultural Land Development Act*, sec. 1.1)		16,990,418	16,990,418	16,990,418	
	British Columbia Buildings Corporation property transfer		5,918,571	5,918,571	5,918,571	
	Donation of investment in British Columbia Resources Investment Corporation (*Resource Investment Corporation Act*, R.S.B.C. 1979, chap. 366, part 5, sec. 17)		25,019,744	25,019,744	25,019,744	
	Farm Products Industry Improvement Fund (*Farm Product Industry Act*, R.S.B.C. 1979, chap. 124, sec. 6 (1), 1981 amendment)		1,897,671	1,897,671	1,897,671	
	Industrial Development Subsidiary Agreement Loan Repayment Revolving Fund transfer (*Industrial Development Fund Act*, R.S.B.C. 1979, chap. 194, sec. 1)		17,600,148	17,600,148	17,600,148	
	Penticton Indian Band—Land cut-off claim settlement (Special Warrant No. 3)		1,000,000	1,000,000	1,000,000	
			68,426,552	**68,426,552**	**68,426,552**	
	Special Purpose Appropriation Act, 1980					
	Labour:					
	Youth Employment and Training (sec. 1 (p))		397,714	397,714	397,707	7
	Lands, Parks and Housing:					
	Accelerated Park Development (sec. 1 (o))		1,588,555	1,588,555	1,333,740	254,815
	Accelerated Construction of Senior Citizens' Housing (sec. 1 (q))		1,000,000	1,000,000	1,000,000	
			2,986,269	**2,986,269**	**2,731,447**	**254,822**
	***Financial Administration Act* Sec. 22**					
	Trinity Western College		38,367	38,367	38,367	
	Total Other Appropriations		**71,451,188**	**71,451,188**	**71,196,366**	**254,822**
	Total General Fund Expenditure	**6,610,300,000**	**323,985,548**	**6,934,285,548**	**6,844,480,209**	**89,805,339**

Table 7.7

Statement of Combined General Fund and Special Purpose Funds Expenditure by Objects of Expenditure Classification (Grouped) for the Fiscal Year Ended March 31, 1982 (Unaudited)

Ministry	Salaries and Wages	Travel	Services	Utilities, Materials and Supplies	Acquisition of Physical Assets	Rentals	Grants, Contributions and Subsidies	Other Expenditures	*Less:* Recoveries	Total Expenditures
Budgetary Expenditure	$	$	$	$	$	$	$	$	$	$
Legislation	5,763,296	25,107	66,873	621,768	1,985	81,905	42,500	4,769		6,608,203
Auditor General	1,922,094	214,380	406,607	92,338		185,764	28,000			2,849,183
Ombudsman	970,200	46,632	170,030	91,423		174,320				1,452,605
Premier's Office	482,317	183,536	27,639	90,870		1,274		6,806		792,442
Agriculture and Food	15,681,943	1,665,849	2,493,100	2,354,520	400,289	4,751,429	27,048,202	34,749,077[1]	(1,945,049)	87,199,360
Attorney General	120,888,705	4,740,854	83,099,307	14,412,127	1,557,852	44,214,530	10,742,471	29,839	(6,148,301)	273,537,384
Consumer and Corporate Affairs	11,861,844	597,175	2,528,135	1,105,622	59,892	1,940,002	216,388	307		18,309,365
Education	13,617,373	735,574	12,708,342	20,012,362	455,815	2,612,652	1,175,840,220	210,943,606[2]	(234,053,861)	1,202,872,083
Energy, Mines and Petroleum Resources	10,021,509	1,171,413	6,279,315	1,187,680	223,831	2,062,280	6,884,116	4,739	(12,199)	27,822,684
Environment	39,951,303	4,279,113	10,359,520	5,133,519	20,407,682	10,774,346	3,360,249	16,730	(841,195)	93,441,267
Finance	39,999,744	1,197,396	11,737,549	4,444,804	79,115	4,465,054	13,508,732	108,883,687[3]	(75,473,999)	108,842,082
Forests	112,148,516	6,433,260	29,014,674	24,903,047	10,411,075	47,226,605	1,752,500	790,837	(39,235,611)	193,444,903
Health	162,645,459	4,543,110	19,569,174	35,498,828	3,678,242	32,448,779	1,785,358,505	5,535,178	(10,725,648)	2,038,551,627
Human Resources	114,685,471	4,081,350	73,909,756	8,504,056	1,313,497	20,182,020	606,003,472	18,850	(2,461,990)	826,236,482
Industry and Small Business Development	6,102,248	608,799	5,918,785	396,148		934,226	89,659,008	67,577,305		171,196,519
Intergovernmental Relations	1,112,465	206,869	355,945	347,747	3,301	130,071	209,100	83,118		2,448,616
Labour	20,566,911	2,088,220	2,657,457	1,494,036	277,410	2,448,727	16,703,332	14,024,052	(1,153,397)	59,106,748
Lands, Parks and Housing	32,476,203	1,485,016	3,151,506	6,974,327	2,387,290	4,432,992	25,321,490	218,429	(5,639,842)	70,807,411
Municipal Affairs	3,086,450	299,207	618,305	197,306		472,426	183,702,263	213,802,128[1]	(25,038,128)	377,139,957
Provincial Secretary and Government Services	35,480,880	1,310,684	15,506,701	23,691,366	1,366,293	12,257,287	15,191,745	146,665,267	(34,212,643)	217,257,580
Tourism	3,280,186	446,677	8,035,121	2,283,853	40,922	1,076,771	767,018	27,977		15,958,525
Transportation and Highways	180,020,292	9,374,690	11,679,968	99,457,033	213,295,093	64,493,782	79,610,017	343,172	(41,776,366)	616,497,681
Universities, Science and Communications	2,494,475	171,963	783,133	331,768	616,434	23,169,122	327,341,331	8,639,127	(2,636,217)	360,911,136
Other Expenditure					5,918,571		25,019,744	37,488,237[1]		68,426,552
Special Purpose Appropriation Act, 1980	373,613	15,437	29,720	245,958	213,014	455,990	1,397,707	8		2,731,447
Financial Administration Act, s. 22	48,592		421,616	1,589	63,224	60,000	1,251,193	641	(1,808,488)	38,367
Less: Transfers to Special Purpose Funds								(282,399,794)[1]		(282,399,794)
Special Purpose Funds	10,660,595	368,132	10,382,558	2,842,966	15,268,888	3,750,396	370,915,902	128,509,228		542,698,665
Less: Transfers to General Fund								(97,290,104)[4]	34,521,623	(62,768,481)
Combined Expenditure	946,342,684	46,290,443	311,910,836	256,717,061	278,039,715	284,802,750	4,767,875,205	598,673,216	(448,641,311)	7,042,010,599
Comparative—1981 Combined Expenditure	834,470,087	40,920,317	279,288,391	209,762,161	262,895,227	248,427,751	4,024,084,163	434,283,371	(274,671,881)	6,059,459,587

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[1] Transfers to Special Purpose Funds of $282,399,794 include Agriculture (Farm Income Assurance $30,175,557 and Agricultural Land Development $1,936,000) $32,111,557; Municipal Affairs (Revenue Sharing Fund) $213,800,000; and other expenditures (Agricultural Land Development $16,990,418, and Farm Products Industry Improvement $1,897,671 and Industrial Development Subsidiary Agreement Loan Repayment Revolving $17,600,148) $36,488,237.

[2] Represents advance *re* rural school taxes ($210,936,152 recovered).

[3] Includes $16,917,773 interest on public debt, $49,536,541 interest on deposits, $40,397,550 of loans and advances under various statutes ($40,275,687 recovered), and $2,031,823 of sundry expenditure.

[4] Transfers of $97,290,104 include (a) revenue to the General Fund of $62,768,481 composed mainly of recoveries from the Urban Transit Authority and Ferries Insurance Fund and (b) recoveries of expenditure to General Fund votes of $34,521,623 consisting principally of recoveries to various Ministry of Forests votes of $33,437,292 from the Forest and Range Resource Fund.

Table 7.8

Statement of Special Purpose Funds Transactions and Balances for the Fiscal Year Ended March 31, 1982 (Unaudited)

	Balance March 31, 1981	Revenue and Credits	Expenditures and Debits	Balance March 31, 1982
Perpetual Funds—	$	$	$	$
British Columbia Cultural				
Capital Account	20,000,000	—	—	20,000,000
Current Account	476,621	1,597,093	1,636,147	437,567
First Citizens'				
Capital Account	25,000,000	—	—	25,000,000
Current Account	3,908,284	2,320,313	3,719,337	2,509,260
Physical Fitness and Amateur Sports				
Capital Account	20,000,000	—	—	20,000,000
Current Account	477,085	1,583,490	1,455,675	604,900
Total Perpetual Funds	**69,861,990**	**5,500,896**	**6,811,159**	**68,551,727**
Other Funds—				
Agricultural Land Development	—	19,684,938	—	19,684,938
Barkerville Historic Park Development	4,371,597	—	2,315,067	2,056,530
British Columbia Place	11,321,895	—	11,321,895	—
Crop Insurance Stabilization	20,367,330	3,133,410	—	23,500,740
Crown Land	279,085,579	57,915,420	376,123	336,624,876
Downtown Revitalization	24,839,538	—	790,631	24,048,907
Drug, Alcohol and Cigarette Education, Prevention and Rehabilitation	28,616,116	1,275,484	26,331,169	3,560,431
Elderly Citizens' Housing Aid	394,755	—	394,755	—
Energy Development	9,350,563	—	1,745,750	7,604,813
Farm Income Assurance	11,518,675	60,034,210	71,552,885	—
Farm Product Industry	3,053,078	2,331,688	938,990	4,445,776
Ferries Insurance	6,104,981	1,125,490	7,230,471	—
Forest and Range Resource	122,650,859	—	38,592,628	84,058,231
Fraser River Crossing	21,892,264	—	21,851,886	40,378
Habitat Conservation	—	141,804	711,802	(569,998)
Industrial Development Subsidiary Agreement Loan Repayment Revolving Fund	—	17,600,148	—	17,600,148
Lottery	21,679,848	25,913,997	17,594,186	29,999,659
Lower Mainland Stadium	42,037,000	—	42,037,000	—
North East Coal Development	14,082,058	—	2,612,217	11,469,841
Provincial Computerization of Libraries	2,967,970	—	613,577	2,354,393
Provincial Home Acquisition	317,170,524	46,459,478	21,372,089	342,257,913
Revenue Sharing	6,744,945	213,800,000	211,074,601	9,470,344
Urban Transit	55,000,000	—	55,000,000	—
Miscellaneous Statutory Accounts	3,730,432	1,437,923	1,429,784	3,738,571
Total Special Purpose Funds	**1,076,841,997**	**456,354,886**	**542,698,665**	**990,498,218**

Table 7.9

Province of British Columbia Direct and Guaranteed Debt at March 31, 1982 (Unaudited)

Direct Debt[1]

	Net Outstanding
	$
Province of British Columbia Bonds	**183,147,790**

Guaranteed Debt

Government of British Columbia Guaranteed Debt of Provincial Crown Corporations, Municipal and Other Local Governments, and Private Enterprises

	Gross Outstanding[2]	Less Sinking Funds[3]	Net Outstanding
Municipalities and other local governments	$	$	$
(1) *School Act*	1,012,092	—	1,012,092
(2) *Municipalities Assistance Act*	17,720,464	—	17,720,464
(3) *Municipal Act*	24,574,452	6,756,028	17,818,424
(4) *Greater Vancouver Sewerage and Drainage District Act*	16,872,381	16,518,688	353,693
Subtotals, municipalities and local governments	**60,179,389**	**23,274,716**	**36,904,673**
Crown agencies			
(5) *British Columbia Buildings Corporation Act*			
Debentures	238,578,307	10,230,177	228,348,130
Notes	62,000,000	—	62,000,000
(6) *British Columbia Cellulose Company Act*	17,455,650	—	17,455,650
(7) *Educational Institution Capital Finance Act*	237,983,539	6,368,769	231,614,770
(8) *Ferry Corporation Act*			
Funded	12,628,617	12,628,617	—
Unfunded	28,688,686	—	28,688,686
(9) *Hydro and Power Authority Act*			
Bonds and Debentures—funded	7,697,981,708	543,300,822	7,154,680,886
(10) *British Columbia Railway Finance Act*			
Bonds and Debentures	817,385,267	148,436,180	668,949,087
Notes	88,086,630	—	88,086,630
(11) *Hospital District Finance Act*—offset by regional hospital district debentures	702,008,572	121,137,895	580,870,677
(12) *School District Finance Act*—offset by school district debentures			
Funded	1,238,489,364	372,131,833	866,357,531
Unfunded	11,880,801	—	11,880,801
(13) *Development Corporation Act*	111,038,171	—	111,038,171
(14) *Ministry of Transportation and Highways Act* (*re* British Columbia Steamship Company (1975) Ltd.)	3,423,707	—	3,423,707
(15) *Urban Transit Authority Act*	55,000,000	—	55,000,000
(16) *British Columbia Place Act*	72,790,669	—	72,790,669
(17) *System Act*	29,850,859	—	29,850,859
Subtotals, Crown agencies	**11,425,270,547**	**1,214,234,293**	**10,211,036,254**

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[1] Deficit at March 31, 1976 of $261,447,790, funded by the *Deficit Repayment Act* (R.S.B.C. 1979, chap. 90). This deficit is repayable in nine annual instalments of $26,100,000 each on May 1, 1979, through 1987, plus a final $26,547,790 on May 1, 1988. Interest at the rate of 9.125 per cent payable semi-annually on May 1 and November 1.

[2] Gross outstanding guaranteed debt includes accrued interest of $322,608,868.

[3] Sinking funds comprise cash and investments recorded at cost plus accrued interest of $31,953,970.

Note: Debt payable in United States currency is recorded at the rate of exchange prevailing at March 31, 1982.

Table 7.9

Province of British Columbia Direct and Guaranteed Debt at March 31, 1981 (Unaudited) — *Continued*

	Gross Outstanding[2]	Less Sinking Funds[3]	Net Outstanding
	$	$	$
Resource Enterprises			
(18) *Farm Product Industry Act*	6,103,884	—	6,103,884
(19) *Agricultural Credit Act*	4,280,171	—	4,280,171
Subtotals, resource enterprises	**10,384,055**	—	**10,384,055**
Grand total, guaranteed debt	**11,495,833,991**	**1,237,509,009**	**10,258,324,982**
Less: Investments held by General and Special Purpose Funds	351,704,700	36,757,873	314,946,827
Net total all guaranteed debt	**11,144,129,291**	**1,200,751,136**	**9,943,378,155**

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[2] Gross outstanding guaranteed debt includes accrued interest of $322,608,868.

[3] Sinking funds comprise cash and investments recorded at cost plus accrued interest of $31,953,970.

Note: Debt payable in United States currency is recorded at the rate of exchange prevailing at March 31, 1982.

APPENDIX 8

LIEUTENANT GOVERNOR, EXECUTIVE COUNCIL AND MEMBERS OF THE THIRTY-SECOND LEGISLATIVE ASSEMBLY

LIEUTENANT GOVERNOR

The Honourable Henry P. Bell-Irving, D.S.O., O.B.E., E.D.

EXECUTIVE COUNCIL

Premier and President of the Council—Hon. William Richards Bennett
Deputy Premier and Minister of Human Resources—Hon. Grace Mary McCarthy
Provincial Secretary and Minister of Government Services—Hon. James R. Chabot
Attorney General—Hon. L. Allan Williams, Q.C.
Minister of Finance—Hon. Hugh Austin Curtis
Minister of Agriculture and Food—Hon. Harvey W. Schroeder
Minister of Education—Hon. William N. Vander Zalm
Minister of Labour—Hon. Robert H. McClelland
Minister of Municipal Affairs—Hon. John H. Heinrich
Minister of Transportation and Highways—Hon. Alexander Vaughan Fraser
Minister of Energy, Mines and Petroleum Resources—Hon. Brian R. D. Smith
Minister of Health—Hon. James Arthur Nielsen
Minister of Industry and Small Business Development—Hon. Donald McGray Phillips
Minister of Forests—Hon. Thomas Manville Waterland
Minister of Environment—Hon. C. Stephen Rogers
Minister of Lands, Parks and Housing—Hon. Anthony Julius Brummet
Minister of Consumer and Corporate Affairs—Hon. James J. Hewitt
Minister of Universities, Science and Communications—Hon. Patrick Lucey McGeer
Minister of Intergovernmental Relations—Hon. Garde Basil Gardom, Q.C.
Minister of Tourism—Hon. Claude Harry Richmond

THIRTY-SECOND LEGISLATIVE ASSEMBLY
(At August 1982)

Government Leader: The Honourable William Richards Bennett

Speaker: to be appointed

Leader of the Opposition: David Barrett

Deputy Speaker: Walter Davidson

Clerk of the Legislative Assembly: Ian M. Horne, Q.C.

Sergeant-at-Arms: A. M. Hutchinson

Barber, Charles	New Democrat	Victoria
Barnes, Emery Oakland	New Democrat	Vancouver Centre
Barrett, David	New Democrat	Vancouver East
Bennett, Hon. William Richards	Social Credit	South Okanagan
Brown, Ms. Rosemary	New Democrat	Burnaby-Edmonds
Brummet, Hon. Anthony Julius	Social Credit	North Peace River
Chabot, Hon. James Roland	Social Credit	Columbia River
Cocke, Dennis G.	New Democrat	New Westminster
Curtis, Hon. Hugh Austin	Social Credit	Saanich and the Islands
Dailly, Mrs. Eileen Elizabeth	New Democrat	Burnaby North
D'Arcy, Christopher	New Democrat	Rossland-Trail
Davidson, Walter	Social Credit	Delta
Davis, Hon. Jack, P.C.	Social Credit	North Vancouver-Seymour
Fraser, Hon. Alexander Vaughan	Social Credit	Cariboo
Gabelmann, Colin Stuart	New Democrat	North Island
Gardom, Hon. Garde Basil, Q.C.	Social Credit	Vancouver-Point Grey
Hall, Ernest	New Democrat	Surrey
Hanson, Gordon W.	New Democrat	Victoria
Heinrich, Hon. John Herbert	Social Credit	Prince George North
Hewitt, Hon. James J.	Social Credit	Boundary-Similkameen

Howard, Frank	New Democrat	Skeena
Hyndman, Peter Stewart	Social Credit	Vancouver South
Jordan, Patricia Jane	Social Credit	North Okanagan
Kempf, Jack Joseph	Social Credit	Omineca
King, William Stewart	New Democrat	Shuswap-Revelstoke
Lauk, Gary Vernon	New Democrat	Vancouver Centre
Lea, Graham Richard	New Democrat	Prince Rupert
Leggatt, Stuart Malcolm	New Democrat	Coquitlam-Moody
Levi, Norman	New Democrat	Maillardville-Coquitlam
Lockstead, Donald Frederick	New Democrat	Mackenzie
Lorimer, James Gibson	New Democrat	Burnaby-Willingdon
Macdonald, Alexander Barrett, Q.C.	New Democrat	Vancouver East
McCarthy, Hon. Grace Mary	Social Credit	Vancouver-Little Mountain
McClelland, Hon. Robert Howard	Social Credit	Langley
McGeer, Hon. Patrick Lucey	Social Credit	Vancouver-Point Grey
Mitchell, Frank John	New Democrat	Esquimalt-Port Renfrew
Mussallem, George	Social Credit	Dewdney
Nicolson, Lorne	New Democrat	Nelson-Creston
Nielsen, Hon. James Arthur	Social Credit	Richmond
Passarell, Alan	New Democrat	Atlin
Phillips, Hon. Donald McGray	Social Credit	South Peace River
Ree, Angus	Social Credit	North Vancouver-Capilano
Richmond, Hon. Claude Harry	Social Credit	Kamloops
Ritchie, William S.	Social Credit	Central Fraser Valley
Rogers, Hon. Charles Stephen	Social Credit	Vancouver South
Sanford, Ms. Karen E.	New Democrat	Comox
Schroeder, Hon. Harvey W.	Social Credit	Chilliwack
Segarty, Terence Patrick	Social Credit	Kootenay
Skelly, Robert Evans	New Democrat	Alberni
Smith, Hon. Brian Ray Douglas	Social Credit	Oak Bay-Gordon Head
Strachan, William Bruce	Social Credit	Prince George South
Stupich, David Daniel	New Democrat	Nanaimo
Vander Zalm, Hon. William Nick	Social Credit	Surrey
Wallace, Mrs. Barbara B.	New Democrat	Cowichan-Malahat
Waterland, Hon. Thomas Manville	Social Credit	Yale-Lillooet
Williams, Hon. Louis Allan, Q.C.	Social Credit	West Vancouver-Howe Sound
Wolfe, Evan M.	Social Credit	Vancouver-Little Mountain

APPENDIX 9

THE MINISTRY OF FINANCE

Minister of Finance:
The Honourable Hugh A. Curtis

Deputy Minister: L. I. Bell

Director of Information: C. L. Temple

Management Services Division
Executive Director: R. A. Messent

Directors:
- G. L. Brodie (Government Agencies)
- A. R. Horner (Personnel and Payroll) (Acting)
- R. Krowchuk (Financial Services and Administration)
- P. W. Wilkinson (Systems and Data Processing)

The Management Services Division is responsible for the central administrative functions of the ministry and for provision of certain government-wide services to other ministries and agencies. The 62 government agents located throughout the province (*see* Appendix 10) perform, at the local level, a wide variety of functions related to government administration and revenue collection.

Treasury Division
Assistant Deputy Minister: H. G. Ferguson

Directors:
- L. A. Blain (Central Borrowing and Planning)
- K. E. Littler (Securities and Administration)
- D. G. Pearce (Cash Management)
- R. W. Vipond (Investment)

The Treasury Division is responsible for managing the financial assets and liabilities of the government, trust funds held by the government, and certain Crown corporations and agencies in order to maximize returns and minimize costs. Activities of the division include negotiations and execution of borrowing and leasing transactions, management of an investment portfolio of $8 billion, banking and cash flow management, and registration, safekeeping and accounting for securities valued at more than $12.5 billion.

Revenue Division
Assistant Deputy Minister: K. M. Lightbody

- A. B. Carver (Acting Director, Income Taxation)
- C. E. Holder (Surveyor of Taxes, Real Property Taxation)
- N. Mogensen (Director, Revenue Administration)
- E. J. Turner (Executive Director, Consumer Taxation)

The Revenue Division is responsible for the administration of a wide range of taxing statutes and the maintenance of an inventory of fees and licences administered by all ministries. Through regular assessment and auditing of taxpayers, control of billings and accounts receivable, and collection activity, the division maximizes the revenue flow to the government and ensures compliance with, and consistent application of, all taxes.

Treasury Board Staff
Deputy Secretary: D. L. Emerson
Acting Senior Advisor: W. D. Mitchell

Acting Directors:
- P. J. Adams (Social Policy)
- D. E. Allen (Management and Administrative Policy)
- M. G. Crowther (Economic Development Policy)
- A. Eastwood (Financial and Budget Analysis)
- P. G. Halkett (Taxation and Intergovernmental Relations)
- D. M. Hyndman (Economic and Fiscal Policy)

The Treasury Board Staff is responsible for planning, analysis and policy development with respect to economic, financial and management matters affecting the government and the province. Advice and support is provided to the government in forecasting and strategic planning and in acquisition, allocation and management of resources for the purpose of meeting government priorities.

Office of the Comptroller General
Acting Comptroller General: D. B. Marson
Acting Deputy Comptroller General: K. M. Prowse

Directors:
- W. E. Evans (Financial Disbursement Operations)
- F G. Hepburn (Internal Audit)
- J. Stevenson (Pay and Personnel Accounting) (Acting)
- A. C. Pickering (Central Accounting)
- M. A. Petrie (Reporting and Analysis)
- R. C. Corbeil (Policy Development)
- R. L. Hunter (Policy Implementation)

The Office of the Comptroller General establishes the accounting principles and practices governing the accounts of the province, as well as the financial control and reporting systems in use throughout government. The office maintains the central accounting, reporting and payment systems for the government and prepares the annual Public Accounts and related reports. In addition, the office advises and assists ministries in establishing and improving their accounting and control systems and provides an internal audit function for the independent review of the effectiveness and efficiency of financial control systems.

Purchasing Commission

Chairman: A. W. Charlton

Administrator: K. Plant

The Purchasing Commission comprises a full-time chairman and two part-time members appointed by the Lieutenant Governor in Council and responsible to the Legislative Assembly. All commodity purchases and surplus sales for government ministries, commissions and certain Crown corporations are centralized in the Purchasing Commission. The commission also operates a government-wide audio-visual equipment loan service, furniture and equipment inventory covering more than 300,000 items, and a business machine maintenance and repair program.

Provincial Capital Commission

Chairman: P D. P Holmes

The Provincial Capital Commission co-ordinates construction and development work for improvement and beautification projects in the Capital Improvement District in co-operation with local municipalities. The comission has an 11-person board, which currently includes the mayors of the four Victoria core municipalities.

APPENDIX 10

GOVERNMENT AGENCIES (AUGUST 1982)

Government Agency	Telephone	Government Agent
Ashcroft	453-2412	E. J. Johnstone
Atlin	651-7577	P. Welock
Bella Coola	799-5361	Stu Pike
Burns Lake	692-7117	June Mufford
Campbell River	287-7488	Bill Ketcham
Cassiar	778-7507	Ina Downing
Chetwynd	788-2239	Mary Buckna
Chilliwack	792-6962	R. Carmichael
Clinton	459-2268	Vacant
Courtenay	338-5391	Jim Baker
Cranbrook	489-3521	Wally Anderson
Creston	428-2019	Roy Allen
Dawson Creek	782-5931	Stu Minifie
Duncan	746-6183	Art Milton
Fernie	423-6845	Harry Bell
Fort Nelson	774-6945	Vacant
Fort St. James	996-7585	Sandy Lane
Fort St. John	787-1111	Jim Frey
Fraser Lake	699-6296	Vacant
Ganges	537-5414	Bill Campbell
Golden	344-5221	Jim Olson
Grand Forks	442-8642	Seiji Matsuo
Houston	845-2990	Bernice Lemley
Invermere	342-6617	Brian MacKenzie
Kamloops	372-5233	Colin Kirk
Kaslo	353-2219	Jo-Anne James
Kelowna	762-2600	Burt Manson
Kitimat	632-6188	Bill McCauley
Lillooet	256-7548	Bob Hall
Mackenzie	997-4270	Alan LaPointe
Maple Ridge	467-6901	Ken Kelly
Merritt	378-6141	Pat Lean
Nakusp	265-3646	Judy Young
Nanaimo	754-2111	Vacant
Nelson	352-2211	Spence Tatchell
New Westminster	525-0375	Tom McKinnon
Oliver	498-3818	Esther McParlon
100 Mile House	395-4021	Jim Dunsmuir
Penticton	493-1719	Lyman Sands
Port Alberni	723-3501	Bill Mundell
Port Hardy	949-6323	Bill Newman
Powell River	485-2815	Barry Hansen
Prince George	562-8131	Ken Weir
Prince Rupert	624-2121	L. Finnigan
Princeton	295-6957	Laurie Marshall
Queen Charlotte City	559-4452	Jack McIlveen
Quesnel	992-5591	Ron Campbell
Revelstoke	837-3222	Doug Roberts
Rossland	362-7324	Arnie Sherwood
Salmon Arm	832-2149	Daryl Koskimaki
Sechelt	885-5187	Jim Hay
Smithers	847-4411	Don McMillan
Sparwood	425-6363	Sharon Arola
Squamish	898-9621	Peter Lee
Stewart	636-9100	Ken Maskell
Terrace	635-2041	Randy Trombley
Ucluelet	726-7025	G. E. Schultz
Valemount	566-4448	Lillian Abbott
Vancouver	668-2654	Jim Torrance
Vanderhoof	567-9238	Eugene Chubak
Vernon	545-2387	Norm Schulz
Williams Lake	392-6261	John Hoem

APPENDIX 11

MUNICIPAL POPULATION, 1981 CENSUS

Cities

Armstrong	2,683
Castlegar	6,902
Courtenay	8,992
Cranbrook	15,915
Dawson Creek	11,373
Duncan	4,228
Enderby	1,816
Fernie	5,444
Fort St. John	13,891
Grand Forks	3,486
Greenwood	856
Kamloops	64,048
Kelowna	59,196
Kimberley	7,375
Langley	15,124
Merritt	6,110
Nanaimo	47,069
Nelson	9,143
New Westminster	38,550
North Vancouver	33,952
Penticton	23,181
Port Alberni	19,892
Port Coquitlam	27,535
Port Moody	14,917
Prince George	67,559
Prince Rupert	16,197
Quesnel	8,240
Revelstoke	5,544
Rossland	3,967
Trail	9,599
Vancouver	414,281
Vernon	19,987
Victoria	64,379
White Rock	13,550
Williams Lake	8,362
	1,073,343

Districts

Abbotsford	12,745
Burnaby	136,494
Campbell River	15,832
Central Saanich	9,890
Chilliwack	40,642
Coldstream	6,450
Coquitlam	61,077
Delta	74,692
Elkford	3,126
Esquimalt	15,870
Houston	3,921
Hudson's Hope	1,365
Kent	3,394
Kitimat	12,814
Langley	44,617
Mackenzie	5,890
Maple Ridge	32,232
Matsqui	42,001
Mission	20,056
New Hazelton	712
North Cowichan	18,210
North Saanich	6,117
North Vancouver	65,367
Oak Bay	16,990
Peachland	2,865
Pitt Meadows	6,209
Port Hardy	5,075
Powell River	13,423
Richmond	96,154
Saanich	78,710
Salmon Arm	10,780
Spallumcheen	4,213
Sparwood	4,157
Squamish	10,272
Stewart	1,456
Summerland	7,473
Surrey	147,138
Terrace	10,914
Tumbler Ridge	5
West Vancouver	35,728
Whistler	1,365
	1,086,441

Towns

Comox	6,607
Creston	4,190
Golden	3,476
Hope	3,205
Ladysmith	4,558
Parksville	5,216
Port McNeill	2,474
Princeton	3,051
Sidney	7,946
Smithers	4,570
	45,293

Villages

Alert Bay	626
Ashcroft	2,156
Belcarra	430
Burns Lake	1,777
Cache Creek	1,308
Chase	1,777
Chetwynd	2,553
Clinton	804
Cumberland	1,947
Fort Nelson	3,724
Fort St. James	2,284
Fraser Lake	1,543
Fruitvale	1,904
Gibsons	2,594
Gold River	2,225
Granisle	1,430
Harrison Hot Springs	569
Hazelton	393
Invermere	1,969
Kaslo	854
Keremeos	830
Lake Cowichan	2,391
Lillooet	1,725
Lions Bay	1,078
Logan Lake	2,637
Lumby	1,266
Lytton	428
McBride	641
Masset	1,569
Midway	633
Montrose	1,229
Nakusp	1,495
New Denver	642
Oliver	1,893
100 Mile House	1,925
Osoyoos	2,738
Pemberton	282
Port Alice	1,668
Port Clements	380
Port Edward	989
Pouce Coupe	821
Qualicum Beach	2,844
Salmo	1,169
Sayward	482
Sechelt	1,096
Silverton	280
Slocan	351
Tahsis	1,739
Taylor	966
Telkwa	840
Tofino	705
Ucluelet	1,593
Valemount	1,130
Vanderhoof	2,323
Warfield	1,969
Zeballos	329
	77,943

Summary

Cities	1,073,343
Districts	1,086,441
Towns	45,293
Villages	77,943
	2,283,020

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Province of
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FINANCIAL AND ECONOMIC REVIEW
FORTY-SECOND EDITION August 1982